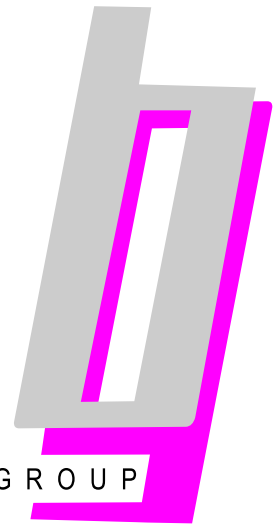


Bhatia Industries & Infrastructure Limited

(formerly known as "*BCC Finance Limited*")



B H A T I A G R O U P

20th
ANNUAL REPORT
2012 - 2013

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 (Ceased w.e.f. 08-11-2012)
Mr. Chitranjan Singh Kahlon : Director (Appointed w.e.f. 08-11-2012)

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

CONTENTS

Notice of Annual General Meeting	01
Directors' Report	04
Report on Corporate Governance	07
Certificate from CEO & CFO	13
Management Discussion and Analysis	14
Independent Auditors' Report	16
Balance Sheet	20
Profit & Loss Account	21
Cash Flow Statement .	22
Significant Accounting Policies..	24
Other Notes on Financial Statements	25
Proxy Form / Attendance Slip	

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 **Twentieth Annual General Meeting** of the Members of **Bhatia Industries & Infrastructure Limited** will be held on Friday, the 12th day of July, 2013 at 11.00 AM at 4-4/5, 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, 2013 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. Jitendra Kumar Jain, 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.

SPECIAL BUSINESS

6. To regularize Mr. C. S. Kahlon as Director on the Board of Company.

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

"RESOLVED THAT Mr. C. S. Kahlon, who was appointed as an Additional Director of the Company w.e.f. 08th November, 2012 and who holds the said office until the date of this Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary or desirable in such manner as it may deem fit in this regard to give effect to this resolution."

By Order of the Board
For Bhatia Industries & Infrastructure Limited

Place: Indore
Date: May 07, 2013

Sd/-
Samir 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 July 08, 2013 to July 12, 2013 (both days inclusive).
4. The dividend on Equity Shares, if declared at the meeting will be credited/dispatched to those members whose name shall appear on the Company's Register of members on July 05, 2013; in respect of the shares held in dematerialized form, the dividend will be paid to the members whose name are furnished by NSDL and CDSL as beneficial owners as on that date.
5. 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. Jitendra Kumar Jain, who retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Jitendra Kumar Jain, aged 50 years, appointed as Director on 26th August 1997 and is the Chairman of Audit Committee and the Shareholders Grievances and Share Transfer Committee. He is a commerce graduate and possesses more than 23 years of rich experience in the field of accounts and taxation.

6. 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.
7. 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.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO.6**

Mr. C. S. Kahlon was appointed as an Additional Director on the Board of the Company with effect from 08th November 2012 and as such he holds his office till the date of the ensuing Annual General Meeting.

The Company has received a Notice from a shareholder proposing his name for appointment as Director of the Company liable to retire by rotation in terms of Section 257 of the Companies Act, 1956. Accordingly, a resolution is placed before the Members for his appointment for approval of the Members.

As per clause 49 of the listing agreement, information regarding Mr. Chitranjan Singh Kahlon is as follows:

Name	: Chitranjan Singh Kahlon
Age	: 62 Yrs
Qualification	: IRS
Profile & Experience	: Mr. C. S. Kahlon is renowned person in the field of taxation and Ex-member of Central Board of Direct Tax (CBDT) and Ex- Executive Director of Securities Exchange Board of India (SEBI) and having very good financial knowledge.
Details of directorship held in other Company	: 1. Bhatia Global Trading Limited 2. Delhi Gymkhana Club Limited 3. IL&FS AMC Trustee Limited
Details of Chairman ship/ Membership held in other companies	: Nil
Shareholding in the Company as on the date of notice	: Nil

Your Directors recommend his appointment, as Director liable to retire by rotation, for the approval of Members. Apart from Mr. C. S. Kahlon, no other Director is interested in the resolution.

By Order of the Board
For Bhatia Industries & Infrastructure Limited

Place: Indore
Date: May 07, 2013

Sd/-
Samir Bahri
Company Secretary



DIRECTORS' REPORT

To,
The Members,
Bhatia Industries & Infrastructure Limited
Indore

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2013.

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 31.03.2013	For the year ended 31.03.2012
Sales & Other Income	2650.55	1509.35
Profit / (Loss) before Depreciation, Interest & Tax	176.90	113.05
Less: Depreciation & Amortization	0.26	0.05
Financial Charges	79.84	63.60
Profit/(Loss) before tax	96.80	49.40
Add\Less) : Prior period adjustments	---	(1.50)
Add \Less) : Provision for Income-Tax	(32.32)	(17.30)
Profit/(Loss) after Tax	64.48	30.60
Add: Balance brought forward from last year	14.32	104.73
Less: Amount utilized towards issue of fully paid up Bonus Shares	--	86.21
Amount available for Appropriation	78.80	49.12
Less: Proposed Dividend on preference shares	1.60	1.60
Less: Proposed Dividend on Equity Share Capital	9.90	9.90
Less: Dividend Distribution Tax	1.95	1.87
Less: Transfer to Capital Redemption Reserve	11.43	11.43
Less: Transfer to General Reserve	--	10.00
Balance carried forward	53.92	14.32

PERFORMANCE REVIEW

During the year under review, your Company has posted Turnover of Rs. 2623.08 as compared to the turnover of Rs. 1482.42 Millions in previous year and Profit after tax of Rs. 64.48 Millions as compared to the Profit after tax of Rs. 30.60 Millions in previous year.

- Turnover increased by 76.95% to Rs. 2623.08 Millions.
- PBDIT increased by 56.48% to Rs. 176.90 Millions.
- PBT increased by 95.95% to Rs. 96.80 Millions.
- Net Profit increased by 110.72% to Rs. 64.48 Millions.

RESERVE

During the period under review Company has transferred Rs. 11.43 Millions to Capital Redemption Reserve and not transferred any amount 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 March 31, 2013. 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**

During the year under review Mr. Lal Krishna Thanvi, has tendered his resignation w.e.f. November 08, 2012 and pursuant to provisions of Section 260 of the Companies Act, 1956 Mr. C. S. Kahlon has been appointed as Additional Director w.e.f. November 08, 2012. Mr. C. S. Kahlon, being eligible, your directors recommend him to appoint him as director liable to retire by rotation.

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

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 for the year ended March 31, 2013, 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 as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- 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 for 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 re-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 re-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.

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: May 07, 2013

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	1328.72	763.42

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

Place: Indore
Dated: May 07, 2013

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, 2013, the Board consisted of four Directors, out of which one is an Executive Director, two are Independent Directors and one is Non Executive Non-independent Director. All the members are competent and well experienced.

2. Board Meetings

Six Board meeting were held during 2012-13 on April 30, 2012, August 11, 2012, November 08, 2012, November 24, 2012, February 13, 2013 and March 15, 2013. The gap between any two meetings did not exceed four months.

3. Attendance of directors

Attendance of directors at the Board meetings held during 2012-2013 and the last Annual General Meeting held on September 24, 2012 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 Six meetings held during the tenure	Attendance at last AGM held on September 24, 2012	Number of Directorship including BIL	Committee(s) membership	
					Membership	Chairmanship
Mr. Surinder Singh Bhatia	Executive Director & CEO	6	No	13	05	-
Mr. Manjeet Singh Bhatia	Non Executive & non-independent Director	5	No	03	02	-
Mr. Jitendra Kumar Jain	Director	6	Yes	05	04	04
Mr. L. K. Thanvi*	Director	0	No	02	01	-
Mr. C. S. Kahlon#	Director	0	No	03	02	-

* resigned from directorship w.e.f. November 08, 2012

appointed as Additional Director w.e.f. November 08, 2012

(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 March 31, 2013.

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: May 07, 2013

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 as other two members. Mr. L. K. Thanvi has tendered his resignation from directorship of the Company w.e.f. November 08, 2012. Mr. C. S. Kahlon has been appointed as Additional Director of the Company w.e.f. November 08, 2012.

The Board has re-constituted the audit Committee on November 08, 2012 and after that date Audit Committee comprises of Mr. J. K. Jain as the Chairman and Mr. C. S. Kahlon 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 2012-13

Four Audit Committee Meetings were held during 2012-13 on April 30, 2012, August 11, 2012, November 08, 2012 and February 13, 2013. 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	0
Mr. Manjeet Singh Bhatia	4	4
Mr. C. S. Kahlon#	1	0

* resigned from directorship w.e.f. November 08, 2012

appointed as additional director & committee member w.e.f. November 08, 2012.

The Chairman of Audit Committee was present at the Annual 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
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	9/4, Manoramaganj, Navratan Bagh Main Road, Indore (M.P.)-452001	27.06.2011 at 11.00 a. m.	Yes
19 th Annual General Meeting	9/4, Manoramaganj, Navratan Bagh Indore (M.P.)-452001	24.09.2012 at 11.00 a. m.	No

**VII. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT**

Special Resolution passed through Postal Ballot: The Company has passed a Special Resolution on 22nd September 2012 under Section 372A of the Act to acquire securities of any other Body Corporate or to give guarantee or to provide security in connection with various credit Facilities which may be given to any Body Corporate or to make loan to any Body Corporate, provided that the aggregate of investments so far made, the amount for which guarantee or security so far provided, the amount of loan to any body corporate so far made to or in all other Bodies Corporate shall not exceed Rs. 750.00 Crores (Rupees Seven Hundred and Fifty Crores only).

Special Resolution proposed to be passed through Postal Ballot: No Special resolutions are proposed to be passed through postal ballot.

VIII. DISCLOSURES

- a. Disclosures on material significant be 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 strictures 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 Choutha Sansar 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. Twentieth Annual General Meeting**

Day and Date	:	Friday, 12 th day of July 2013
Time	:	11.00 A.M.
Venue	:	4-4/5, 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:** July 08, 2013 to July 12, 2013 (both days inclusive)

d. Dividend payment date:

Equity Shares: On or after 12th July 2013

Preference Shares: On or after 12th July 2013

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.

During financial year 2012-13 prices of the company's shares at a 52 week high/ low has been recorded as Rs. 29.95/ Rs.8.30. The high/low prices of the Company's script for the last three years are as follows:

Sr. No.	Year (s)	High Price* (Rs.)	Low Price* (Rs)
1	2010-2011	110.25	48.00
2	2011-2012	109.40 (unadjusted) 29.60 (adjusted)	9.45
3	2012-2013	29.95	08.30

* 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, 2012	13.80	10.80	17,664.10	17,010.16
May, 2012	14.60	12.00	17,432.33	15,809.71
June, 2012	14.27	12.50	17,448.48	15,748.98
July, 2012	13.53	11.48	17,631.19	16,598.48
August, 2012	15.99	12.14	17,972.54	17,026.97
September, 2012	14.45	9.90	18,869.94	17,250.80
October, 2012	10.35	9.01	19,137.29	18,393.42
November, 2012	11.34	8.30	19,372.70	18,255.69
December, 2012	20.53	11.90	19,612.18	19,149.03
January, 2013	29.95	20.90	20,203.66	19,508.93
February, 2013	27.40	19.80	19,966.69	18,793.97
March, 2013	22.25	14.95	19,754.66	18,568.43

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, 2013

(a)

Slab of Shareholders	No. of Shareholders	No. of Share	% of total amount
(1)	(2)	(3)	(4)
1 - 500	533	129563	0.982
501 - 1000	195	151931	1.151
1001 - 2000	184	257382	1.950
2001 - 3000	52	131250	0.994
3001 - 4000	35	131920	0.999
4001 - 5000	28	129794	0.983
5001 - 10000	62	415491	3.148
Above 10000	66	11852669	89.793
Total	1155	13200000	100.000

**(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	64	793988	6.01
4.	NRI/OCB's	6	1621	0.01
5.	Banks/ Financial Institutions	-		-
6.	General Public	1068	3991375	30.21
	Total	1155	13200000	100.00

i. Dematerialization of Shares

About 94.11% 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 March 31, 2013.

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: May 07, 2013

Sd/-
Surinder Singh Bhatia
Executive Director & CEO



CERTIFICATE

(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, 2013 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: May 07, 2013

Sd/-
Sanjay Sethi
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 on March 31, 2013, 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 as stipulated in the said Clause. 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 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 of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ajit Jain & Co.
Company Secretaries

Place: Indore
Date: May 07, 2013

Sd/-
CS Ajit Jain
CP No. 2876



MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

India has the fifth largest coal reserve in the world. Coal production in Asia Pacific region has grown tremendously and accounts for over 67% of total production globally. The country's coal production has increased by 28.5%, but despite this it still depends on imports.

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. Better infrastructure by road enable fast movement of coal among various locations in the Country, infrastructure section in India is getting better by way of various projects undertaken by the Government.

The real estate sector in India assumed greater prominence with the liberalization of the economy, 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's business comprises of two segment viz. Infrastructure and Coal Trading.

Demand of Coal mainly from Power Sector is growing rapidly and increasing government support will boost the coal production in the country. However bottlenecks likes domestic coal transportation and lack of proper road connectivity further increase the challenges. Also availability of railway wagons and mismatch of demand and supply of wagons and coal offtakes affect production capacity and delay in mining activities at captive coal blocks and concern relating to the increasing ash content of run - of - mine coal further impact production.

Real estate and Infrastructure sectors are getting major funding from foreign investor as per relaxation in Foreign Direct Investment (FDI) rules / regulation implemented by India. However current scenario of real estates express that there is excess supply against the demand from end users and domestic output has also been clipped due to hurdles over environmental clearances and land acquisition and other government policies.

3. OUTLOOK

Mining in India is a major economic activity which contributes significantly to the economy of India. The GDP contribution of the mining industry varies from 2.2% to 2.5% only but going by the GDP of the total industrial sector it contributes around 10% to 11%. Coal with a proven reserve of 860 billion tonnes is mined the most in the world. At the same time, the demand curve for this sector is always on the rising side. The major reasons are the soaring power demand in India and China, the growing worldwide steel production, and lastly, the increasingly stringent environment regulations. As a prospering economy, India faces energy scarcity as a growing challenge and the coal production is expected to grow at a around 7% during 2012-13 to 2013-14. The Indian coal market is set to witness great boost in near future because of the rising government initiatives. Recently, allocation of coal blocks and stake sales in PSU are some of the major steps that were taken by the government to boost the production and investment in the coal industry.

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 around 7% during 2012-13 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 the most important factor for achieving efficiency, productivity and quality. Human Relationship Management assumes great importance in the Company and human resources are the great asset.

During the year under review, the Company continued its emphasis on Human Resource Development as one of the critical area 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 - Employee relation throughout the year were cordial.

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 employees at all levels.

6. FINANCIAL PERFORMANCE:

The Financial Statements for the year ended March 31, 2013 have been prepared in compliance with the requirement of Companies Act 1956 and Generally Accepted Accounting Principles (GAAP) in India.

During Financial Year 2012-13, the Company recorded total income of Rs. 2650.55 Millions, of which income from operations is Rs. 2623.08 Millions and other income of Rs. 27.47 Millions.

For the year FY 2012-13, Earning before interest, Depreciation, tax and Amortization was Rs. 176.90 Millions.

For the FY 2012-13, Depreciation was Rs. NIL, as there were no depreciable fixed assets and preliminary expensed of Rs. 0.26 Million amortized during this year, interest and Financial charges were Rs. 79.84 Millions and Profit before tax (PBT) was Rs. 96.80 Millions.

Profit after tax (PAT) was Rs. 64.48 Millions and Earning Per Share (EPS) of Rs. 4.74.

Out of the PAT of Rs. 64.48 Millions, 24.88 Millions has been apportioned as follows: -

- (i) for proposed dividend on Preference and Equity Shares of Rs. 13.45 (including Dividend Distribution Tax of Rs. 1.95 Millions) and
- (ii) Rs. 11.43 Millions has been transferred to Capital Redemption Reserve.

7. SEGMENT WISE PERFORMANCE:

Company's business comprises two segment viz. Coal Trading Division and Infrastructure division. During the Financial Year 2012-13, there is no turnover from Infrastructure division and entire income from operation of Rs. 2623.08 Millions is from Coal Trading division.

As on March 31, 2013, Coal Trading Division is having Segment Assets of Rs. 1290.04 Millions and Segment liabilities of Rs. 219.88 Millions and Infrastructure division is having Segment Assets of Rs. 68.07 millions and Segment Liabilities of Rs. 0.38 Millions.

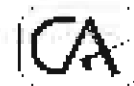
8. CAUTIONARY STATEMENT:

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

11/55/17, 1st Floor, 3, Jyoti Chauranad, Indore - 492 001
☎ 2702884-88 • Fax: 0731-4003435
email: rsbansal@rsbansal.co.in, client@rsbca@gmail.com



R. S. Bansal
11/55/17, 1st Floor,
3, Jyoti Chauranad,
Indore - 492 001
Vijay Bansal
B. Com., FCA, D. B. A. (CA)

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Bhatia Industries and Infrastructure Limited
BCC House, 8/5, Manoramaganj, Navratan Bagh Main Road,
Indore (Madhya Pradesh)

Report on the Financial Statements:

We have audited the accompanying financial statements of **Bhatia Industries and Infrastructure Limited** Registered Address BCC House, 8/5, Manoramaganj, Navratan Bagh Main Road, Indore (Madhya Pradesh), which comprise the Balance Sheet as at 31 March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended 31 March, 2013 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

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

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

Report on Other Legal and Regulatory Requirements:

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-Section(4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by Section 227(3) of the Act, we report that:
 - 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;
 - 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;
 - The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956;
 - On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of Sub-Section(1) of Section 274 of the Companies Act, 1956.

For: **R. S. Bansal & Company**

Chartered Accountants
Firm Regi. No. : 000939C
Sd/-

Vijay Bansal
Partner

Membership No. : 075344

Place: Indore

Date: 7th May, 2013

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Bhatia Industries and Infrastructure Limited for the year ended 31st March, 2013.

As required by the Companies (Auditor's Report) Order issued by the Central Government in the terms of Section 227 (4A) of the Companies Act, 1956, we further report that:-

- (1) **Fixed Assets:** - As informed to us, the company does not have any fixed asset; hence this clause is not applicable.
- (2) **Inventories:** -
- (a) As explained to us, physical verification of Inventories has been conducted at reasonable interval by the management.
- (b) In our opinion and according to the information and explanation given to us, procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and *it is informed to us that stock of 3599 Metric Tonne of coal lying at one of the branch has become obsolete and same has been properly dealt with in books of accounts.*
- (3) **Loan Granted:** -
- (a) According to the information and explanation given to us, the Company has granted unsecured loans to parties covered in register maintained under Section 301 of the Act.

The Number of parties and amount involved in the transactions are detailed as below:-

(Amount in ₹)

S.No.	Name of Parties	Maximum balance during the year	Balance as on 31/03/2013
1.	Asian Natural Resources (India) Limited	345,067,229	Nil
2.	Bhatia Global Trading Limited	257,300,000	36,311,449

- (b) The rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the company.
- (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.
- (d) As explained & informed to us, no amount is overdue as at the end of the year.

Loan Taken: -

According to the information and explanation given to us, the Company has not obtained any secured and/or unsecured loan from parties covered in the register maintained under Section 301 of the Companies Act, 1956; hence this clause is not applicable.

- (4) **Internal Control Procedure:** - In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and other assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct major weakness in the internal control system of the company in respect of these areas.
- (5) **Transaction with Parties u/s 301:** -
- (a) As explained and informed to us, the Company has entered all transaction, which are required to be entered in the register maintained in pursuant to the Section 301 of the Companies Act, 1956.
- (b) As per information and explanation and other relevant record provided before us these transactions have been entered at prevailing market prices.
- (6) **Public Deposit:** - In our opinion and according to the information and explanation given to us, the company has neither accepted nor invited any deposit from public within the provisions of Section 58A, 58AA of Companies Act, 1956 and rules made there under.
- (7) **Internal Audit System:** - In our opinion & according to the information & explanation given to us, there are adequate internal control procedures commensurate with the size of the company & the nature of its business.
- (8) **Cost Record:** - 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.

**(9) Statutory Dues: -**

- (a) According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Investor Education & Protection Fund, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at 31-03-2013 for a period of more than 6 months from the date they become payable.
- (b) As informed and explained to us, there are some dues of Income Tax, Commercial Tax and other material statutory dues which have not been deposited on accounts of some dispute, which are detailed as below:-

(Amount in ₹)

Statute	Forum where Dispute is pending	Amount involved	Financial Year to which the amount relates
Income Tax Act	CIT (Appeals)	110000	1995-96
Income Tax Act	ITAT	54520	2001-02
Income Tax Act	ITAT	108824	2003-04
Stamp Duty Act	Revenue Board, Gwalior	1062000	2004-05
Commercial Tax	Joint Commissioner	3667832	2006-07
Sales Tax	Deputy Commissioner	18340	2011-12

(10) Accumulated Cash Losses: - 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.

(11) Default in repayment of dues to Financial Institutions or Banks: - According to information and explanation given to us, the company has not defaulted in repayment of any dues to any Financial Institution or Bank or Debenture holders.

(12) Granting of Loans and Advances:- According to the information & explanation given to us, the company has not given any Loans & Advances on the basis of security by way of pledge of shares, debentures and other securities.

(13) Chit Fund/Nidhi/Mutual benefit/Society Activities: -

According to the information & explanation given to us, provisions relating to any special statute applicable to chit fund are not applicable to the company.

The Company not being Nidhi/Mutual Benefit Fund/Society hence this clause is not applicable.

(14) Dealing or Trading in Shares: - The Company is not dealing or trading in investments but purchased investments with a view to hold such investments to earn income from dividend or interest thereon; hence this clause is not applicable.

(15) Guarantee given by the Company for Loan taken by others:- As informed and explained to us, the company has not given any guarantees for loans taken by others from banks or financial institutions; hence this clause is not applicable to the company.

(16) Utilization of Terms Loans: - According to information and explanation given to us, no term loan has been obtained by the company either in current financial year or in preceding financial years; hence the clause is not applicable.

(17) Application for short terms fund utilized for long terms investment: - According to the information and explanation given to us and books and records examined by us during the course of audit of the company, we report that no fund raised on short term basis have been used for long term investment by the company.

(18) Preferential Allotment of Shares: -We are informed that, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of Act, during the year.



- (19) Creation of Securities for Debentures issue:** - According to the information and explanation given to us and the record examined by us, the company has not issued any debentures; hence this clause is not applicable to the company.
- (20) Money raised by Public Issue:** - The Company has not raised any money by public issue of shares during the period.
- (21) Fraud Noticed or Recorded:** -To the best of our knowledge and belief according to the information & explanation given to us, no fraud on or by the Company was noticed or recorded during the period.

For: **R. S. Bansal & Company**
Chartered Accountants
Firm Regi. No. : 000939C

Sd/-

Vijay Bansal

Partner

Membership No. : 075344

Place: Indore

Date: 7th May, 2013



BALANCE SHEET AS AT 31.03.2013

₹ in Millions

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Share Holder's Fund			
(a) Share Capital	3	212.00	212.00
(b) Reserve and Surplus	4	132.49	81.46
(2) Non Current liabilities			
(a) Other Long Term Liabilities	5	-	0.61
(3) Current liabilities			
(a) Short Term Borrowings	6	793.73	451.27
(b) Trade Payables	7	148.11	97.00
(c) Other Current Liabilities	8	16.55	4.30
(d) Short Term Provisions	9	55.22	31.10
TOTAL		<u>1,358.10</u>	<u>877.74</u>
II. ASSETS			
(1) Non Current Assets			
(a) Non Current Investments	10	8.62	1.11
(b) Deferred Tax Asset (Net)	11	0.02	-
(c) Long Term loans and Advances	12	7.39	7.45
(d) Other Non Current Assets	13	0.47	0.58
(2) Current Assets			
(a) Inventories	14	245.90	276.40
(b) Trade Receivables	15	853.06	172.76
(c) Cash and Bank Balances	16	168.03	47.44
(d) Short Term Loans and Advances	17	71.97	370.61
(e) Other Current Assets	18	2.64	1.39
TOTAL		<u>1,358.10</u>	<u>877.74</u>
Significant Accounting Policies	1		
Other Notes on Financial Statements	2		

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 & INFRASTRUCTURE LTD.

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

Sd/-
J. K. JAIN
Director

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Sd/-
SANJAY SETHI
Group CFO

Sd/-
SAMIR BAHRI
Company Secretary

Place : Indore
Date : 07.05.2013



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2013

₹ in Millions

S.No.	Particulars	Note No.	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
I.	Revenue from Operations	19	2,623.08	1,482.42
II.	Other Income	20	27.47	26.93
III.	Total Revenue (I+II)		<u>2,650.55</u>	<u>1,509.35</u>
IV.	Expenses:			
	(a) Purchases of Stock in Trade	21	2,387.34	1,490.42
	(b) Decrease / (Increase) in Inventories of			
	(i) Stock in Trade	22	30.50	(106.88)
	(c) Employee Benefits Expenses	23	2.71	2.53
	(d) Finance Costs	24	79.84	63.60
	(e) Depreciation and Amortization	25	0.26	0.05
	(f) Other Expenses	26	53.10	10.24
	Total Expenses		<u>2,553.75</u>	<u>1,459.95</u>
V.	Profit before exceptional and extraordinary items and tax(III-IV)		96.80	49.40
VI.	Exceptional items		-	1.50
VII.	Profit before extraordinary items and tax (V -VI)		96.80	47.90
VIII.	Extraordinary items		-	-
IX.	Profit before tax (VII-VIII)		96.80	47.90
X.	Tax expense:			
	(1) Current tax		32.34	17.30
	(2) Deffered tax		(0.02)	-
XI.	Profit (Loss) for the period from continuing operations		<u>64.48</u>	<u>30.60</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>64.48</u>	<u>30.60</u>
XVI.	Earnings per Equity Share: (F.V. ₹ 10/-)	2.6		
	(1) Basic		4.74	2.18
	(2) Diluted		4.74	2.18

Significant Accounting Policies

1

Other Notes on Financial Statements

2

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 & INFRASTRUCTURE LTD.**

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

Sd/-
J. K. JAIN
 Director

Sd/-
VIJAY BANSAL
 Partner
 Membership No. 075344

Sd/-
SANJAY SETHI
 Group CFO

Sd/-
SAMIR BAHRI
 Company Secretary

Place : Indore
 Date : 07.05.2013



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

₹ in Millions

Particulars	Year ended 31.03.2013		Year ended 31.03.2012	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax	96.80		47.90	
Adjustments for :				
Dividend Received	(0.00)		(0.02)	
Amortisation of Preliminary Expenses	0.26		0.05	
Financial Income	(26.61)		(26.77)	
Fluctuation on Financial Expenses (Net)	3.49		30.62	
Financial Expense	37.15		19.04	
Cash Operating Profit before working capital changes	111.09		70.82	
Increase / (Decrease) in Trade Payables	51.11		(109.08)	
Increase / (Decrease) in Short Term Provisions	(8.21)		(47.96)	
Increase / (Decrease) in Other Current Liabilities	11.58		(1.41)	
Increase / (Decrease) in Other Non - Current Liabilities	(0.61)		-	
(Increase) / Decrease in Inventories	30.49		(106.88)	
(Increase) / Decrease in Trade Receivables	(680.30)		281.95	
(Increase) / Decrease in Long Term Loans & Advances	0.06		1.93	
(Increase) / Decrease in Other Non Current Assets (Excl. Misc. Expenses)	(0.15)		(0.32)	
(Increase) / Decrease in Short term Loans & Advances	298.64		(336.00)	
(Increase) / Decrease in Other Current Assets	(1.25)		(0.31)	
Net Cash From Operating Activities (A)	(187.55)	(187.55)	(247.26)	(247.26)
Cash Flow From Investing Activities				
Dividend Income	0.00		0.02	
Interest Income	26.61		26.77	
Purchase of Investments	(7.51)		-	
Investment in Fixed Deposits having maturity of more than 3 months	(69.69)		9.29	
Net Cash Used In Investing Activities (B)	(50.59)	(50.59)	36.08	36.08
Cash Flow From Financing Activities				
Short Term Borrowings Taken	917.98		595.94	
Short Term Borrowings Repaid	(575.52)		(433.86)	
Dividend Paid on Preference Shares	(1.60)		(1.60)	
Dividend Paid on Equity Shares	(9.90)		(9.90)	
Dividend Distribution Tax Paid	(1.95)		(1.87)	
Fluctuation on Financial Expenses (Net)	(3.49)		(30.62)	
Financial Expense	(37.15)		(19.04)	
Net Cash Used In Financing Activities (C)	288.37	288.37	99.05	99.05
Net Decrease In Cash and Cash Equivalents (A + B + C)		50.23		(112.13)
ADD :Cash and cash equivalents - Opening - 1st April		6.34		118.47
Cash and cash equivalents - Closing - 31st March		56.57		6.34

**Footnote to Cash Flow Statement:**

1. Components of Cash and Cash Equivalents are produced as under: ₹ in Millions

Particulars	2012-13	2011-12
Cash & Cash Equivalents		
Balances with Banks		
Current Account	51.63	6.24
Fixed Deposit having maturity 3 month or less	0.01	0.00
Cheques, Draft on hand	4.92	0.00
Cash on hand	0.01	0.10
Total of Cash & Cash Equivalent	56.57	6.34

2. Reconciliation of Cash and Cash Equivalents with Cash and Bank Balances as per the Balance Sheet Balances

Particulars	2012-13	2011-12
Cash and cash equivalents as above	56.57	6.34
Add : Other Cash and Bank Balances		
Earmarked Balances - Equity Dividend Account	0.93	0.26
Fixed Deposit account maturity more than 3 month & less than 12 months	97.47	36.77
Fixed Deposit account having maturity More than 12 Months	13.06	4.07
Cash and Bank Balances classified as Current (Refer Note 16)	168.03	47.44

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 & INFRASTRUCTURE LTD.**

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

Sd/-
J. K. JAIN
Director

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Sd/-
SANJAY SETHI
Group CFO

Sd/-
SAMIR BAHRI
Company Secretary

Place : Indore
Date : 07.05.2013

**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 to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 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. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.3 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.

d. Dividend income is accounted when the right to receive it is established.

1.4 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.

1.5 Depreciation:

No Depreciation has been charged on Land held as Investment Property.

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/ Unclear Stock: 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:

Non Current Investments are shown at Cost. No provision has been made for diminution in the value of investments.

1.9 Earning Per Share

Basic earnings per share is computed by dividing the Profit / (loss) for the period after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders after deducting preference dividends and any attributable tax thereto by the weighted average number of equity shares outstanding during the year.

1.10 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.11 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.

c. Transaction covered by Forward contracts to be settled on future date recognized at the Hedged Rate of the underlying foreign currency at the year end.

d. Premium & Bank Margin incurred on Forward contracts to be settled on future date are proportionately recognized at the year end.

1.12 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.

1.13 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.

1.14 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.

1.15 Preliminary Expenses / Deferred Revenue Expenditures

Preliminary Expenses / deferred revenue expenses have been written off in ten equal installments.

(Also refer Notes to Accounts No. 2.2)

**NOTE - 2****OTHER NOTES ON FINANCIALS STATEMENTS**

- 2.1 Prior Period Adjustments includes prior period expenses of ₹ 0.04 Millions (P.Y. ₹ 1.52 Millions) netted off with prior period Incomes ₹ (0.80) Millions (P.Y. ₹ (0.02) Millions), including ₹ (0.41) as excess provision for Income Tax made in Previous years, now written off.
- 2.2 Preliminary expenses were treated as deferred revenue expenses & were proposed to be charged to Profit & loss Account in ten equal installments.
But in the Current year the Company has entirely written off Preliminary Expenses of ₹ 0.26 Millions as per Para 56 of Accounting Standard - 26 "Intangible Asset" issued under Companies (Accounting Standard) Rules, 2006.
- 2.3 Additional information required under Para (viii) of Part II of Revised Schedule VI to the Companies Act, 1956, is follows:

(₹ in Millions)

Particulars		31.03.2013	31.03.2012
a. Value of Import on C.I.F. basis		1763.66	788.87
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	12.68	6.56
ii.	Commission	5.93	4.62
iii.	Others	0.00	0.00

2.4 Related Party (AS- 18)

Certain transaction on account with concern / Companies of the group has taken place during the year. Details as required under Accounting Standard - 18 "Related Party Disclosure" issued by Companies (Accounting Standard) Rules, 2006, is as under:-

Related Party Disclosures:

As per Accounting Standard 18, the disclosures of Transactions with the related parties are given below:-

- (i) **List of Related Parties where control exists and Related Parties with whom transactions have taken place and relationships:**

S.No.	Name of Related Party	Relationship
1 2 3 4	Bhatia Global Trading Limited BCC Cargo Ltd BCC Enterprises (India) Limited Isshar Overseas Limited	Associates
5	Mr. Surender Singh Bhatia	Key Managerial Personnel
6 7 8 9 10 11 12	Mrs. Gurvinder Kaur Bhatia Ms. Roopal Preet Kaur Bhatia Mr. Gurvinder Singh Bhatia Mr. Manjeet Singh Bhatia Mr. Jaswinder Singh Bhatia Mr. Kripal Singh Bhatia Mrs. Harbans Kaur Bhatia	Relatives of Key Managerial Personnel
13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Asian Natural Resources (India) Limited Bhatia Port & Infrastructure Ltd. Bhatia Software and Realtors Private Limited SSB Land Developers Private Limited Bhatia Entertainment Private Limited Bhatia International Pte Ltd BIL Holding Pte Ltd Bhatia Coke & Energy Limited BCC Estates Pvt Ltd Bhatia OSL Washeries & Minerals limited Bhatia Professional Education Institutions (Indore) Ltd Bhatia Sons (India) Ltd. Reliance Services and Consultants Private Limited Bhatia Energy Limited IOF Pte Ltd Pt. Bhatia International, Indonesia Bhatia Coal Washeries Ltd GSB Real Estates Pvt Ltd	Enterprises over which Key Managerial Personnel or Relatives of KMP are able to exercise Significant influence



(ii) Transactions during the Year with Related Parties:

(₹ in Millions)

Sr No.	Nature of Transactions	Associates	Key Managerial Personnel	Significant influence of KMP on other Enterprise	Total
1	Coal Purchase	247.15	-	423.98	671.13
		<i>242.27</i>	-	<i>119.44</i>	<i>361.71</i>
2	Sale of Coal	564.97	-	105.98	670.95
		<i>304.47</i>	-	<i>40.62</i>	<i>345.09</i>
3	Cargo Handling Services Given	9.95	-	-	9.95
		-	-	-	-
4	Cargo Handling Services Taken	-	-	7.13	7.13
		-	-	-	-
5	Expenses Paid on behalf of Reporting Enterprise	0.04	-	-	0.04
		<i>0.78</i>	-	-	<i>0.78</i>
6	Expenses Paid by Reporting Enterprise	-	-	-	-
		-	-	<i>0.03</i>	<i>0.03</i>
7	Loss on Foreign Exchange Fluctuation (Net)	-	-	0.58	0.58
		-	-	-	-
8	Gain on Foreign Exchange Fluctuation (Net)	-	-	-	-
		-	-	<i>5.92</i>	<i>5.92</i>
9	Interest Received	10.44	-	6.94	17.38
		<i>14.32</i>	-	<i>7.17</i>	<i>21.49</i>
10	Interest Paid	-	-	-	-
		-	-	<i>0.13</i>	<i>0.13</i>
11	Inter Corporate Deposit (ICD) Given	311.61	-	-	311.61
		-	-	<i>337.89</i>	<i>337.89</i>
12	Amount Received Against ICD Given	284.69	-	351.31	636.01
		-	-	-	-
13	Transportation Services Taken	0.18	-	-	0.18
		-	-	-	-
14	Freight Paid on Import Coal Purchase	-	-	385.43	385.43
		-	-	<i>225.28</i>	<i>225.28</i>
15	Commission Paid	-	-	0.48	0.48
		-	-	<i>0.46</i>	<i>0.46</i>
16	Amount Paid Against Dispatch/Demurrage Charges	-	-	2.15	2.15
		-	-	-	-
17	Rent Paid	-	0.06	0.07	0.13
		-	<i>0.06</i>	<i>0.06</i>	<i>0.12</i>

Note: Bold Figures represent Current year figures & Figures in Italics represent Previous Year.

Balances outstanding with Related Parties as at 31st March, 2013

Sr No.	Nature of Transactions	Associates	Key Managerial Personnel	Significant influence of KMP on other Enterprise	Total
18	Loan and Advances	36.31	-	-	36.31
		-	-	<i>304.45</i>	<i>304.45</i>
19	Trade Receivable	496.48	-	-	496.48
		-	-	<i>40.62</i>	<i>40.62</i>
20	Payables for Expenses	-	-	(131.54)	(131.54)
		-	-	<i>(84.48)</i>	<i>(84.48)</i>

Note: Bold Figures represent Current year figures & Figures in Italics represent Previous Year.


2.5 Statutory Auditor's Remuneration

(₹ in Millions)

	Auditor's Remuneration:	31.03.2013	31.03.2012
a.	Statutory Audit Fees ¹	0.11	0.11
b.	Tax Audit Fees ¹	0.06	0.06

¹ Figures are inclusive of Service Tax.

2.6 Earning Per Share (AS -20)

The Company has calculated Basic & Diluted Earnings per share In accordance with the Accounting Standard - 20, "Earning per Share" issued by Companies (Accounting Standard) Rules, 2006.

₹ in Millions (except item iv. & v)

S.No.	Particulars	As on 31.03.2013	As on 31.03.2012
i.	Net Profit available to shareholders (₹ in Millions)	64.48	30.60
ii.	Dividend & Dividend Distribution Tax on Preference Shares	1.87	1.86
iii.	Net Profit available to Equity Shareholders	62.61	28.74
iv.	Weighted Average No. of Equity Shares Outstanding (Nos.)	13,200,000	13,200,000
v.	Basic & Diluted Earnings Per Share of Face Value of ₹ 10/- each	4.74	2.18

2.7 Segment (AS - 17)

The Company's operations comprises of Trading of Coal and Infrastructure/ 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.

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.

- 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".
- 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 31.03.2013

S.N.	Particulars	Coal trading Division		Infrastructure Division		Unallocable Division		Consolidated Total	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
1	Segment Revenue								
	External Turnover	2,623.08	1,482.42	-	-	-	-	2,623.08	1,482.42
	Less: Inter Segment Turnover	-	-	-	-	-	-	-	-
	Total Revenue	2,623.08	1,482.42	-	-	-	-	2,623.08	1,482.42
2	Segment Result								
	Profit before Interest & Taxes	89.49	41.67	-	-	-	-	89.49	41.67
	Less: Unallocable Income	-	-	-	-	(0.02)	(0.00)	(0.02)	(0.00)
	Operating profit	89.49	41.67	-	-	0.02	0.00	89.51	41.67
	Less: Interest Expenses	19.32	19.04	-	-	-	-	19.32	19.04
	Add : Interest Income	26.61	26.77	-	-	-	-	26.61	26.77
	Profit Before Tax	96.78	49.40	-	-	0.02	0.00	96.80	49.40
	Income Taxes	32.32	17.30	-	-	-	-	32.32	17.30
	Profit from Ordinary Activities	64.46	32.10	-	-	0.02	0.00	64.48	32.10
	Extraordinary Items	-	1.50	-	-	-	-	-	1.50
	Net Profit	64.46	30.60	-	-	0.02	0.00	64.48	30.60
3	Other Information								
	Segment Assets	1,290.04	809.68	68.07	68.06	-	-	1,358.10	877.74
	Unallocated Corporate Assets	-	-	-	-	-	-	-	-
	Total Assets	1,290.04	809.68	68.07	68.06	-	-	1,358.10	877.74
	Segment Liabilities	219.88	132.63	-	0.38	-	-	219.88	133.01
	Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-
	Total Liabilities	219.88	132.63	-	0.38	-	-	219.88	133.01
	Capital expenditure	-	-	-	-	-	-	-	-
	Depreciation	-	-	-	-	-	-	-	-
	Non- cash Expense other than Depreciation	-	-	-	-	-	-	-	-

**2.8 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	31.03.2013		31.03.2012	
	Buy	Sell	Buy	Sell
INR/ USD	856.09	-	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	31.03.2013		31.03.2012	
	Buy	Sell	Buy	Sell
USD / INR	5.99	-	207.41	-

2.9 Contingent Liabilities not provided for:

(₹ in Millions)

S.No.	Contingent Liability not provided for:	31.03.2013	31.03.2012
i.	Bills Discounted with Banks.	187.39	29.52
ii.	Bank Guarantees	0.00	0.00

- 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 Maheshwar 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. An Appeal is 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. The Deputy Commissioner of Sales Tax (VAT Adm.) Chandrapur has issued Penalty order of ₹ 0.03 Million under section 61 (2) of MVAT Act towards late submission of Audit report for the financial year 2007-08. The Company did not accept the above demand and filed an appeal before Joint Commissioner of Sales Tax (Appeal), Nagpur. The appeal is pending before the Joint Commissioner. Meanwhile, The Company has paid sum of ₹ 0.01 Million, being part payment towards pending demand, which is pending for decision.
- e. 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.
- f. Income tax department had raised demand of ₹ 1.88 Million for the Assessment Year 2002-03, 2004-05, 2005-06 & 2006-07. These appeals have been decided by the Appellate Commissioner & Company has got partial relief. However, the orders giving effect to the Appellate commissioner's orders are yet to be received; on receipt of the same, tax liability shall be provided, if necessary. The Income Tax Department had 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. Year wise details of pending demand, on giving effect to the orders of Appellate Commissioner.

(₹ in Millions)

Disputed Income Tax Demand	As At 31.03.2013	As At 31.03.2012
A.Y. 2002-03	0.054	0.054
A.Y. 2004-05	0.11	0.11
Total	0.164	0.164

- 2.10 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. This year being the 6th year.

- 2.11 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 continued mining of sand till October 10, 2004. The Company had received the notice from Collector, Khargone 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 has been admitted and is pending for hearing.

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 the case will be listed and argued finally, order will be in favor of the Company.

- 2.12 The Company is in process of obtaining information from its suppliers/vendors and service providers and Company has written confirmation letters to parties for disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006. As per information to the extent available with the Company, there are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March, 2013.
- 2.13 During the year, the Company has made sales of ₹ 30.98 Millions against 'C' Form, against which 'C' Forms amounting to ₹ 15.05 Millions has been received from the customers. Based on the past experience, the management is confident to receive balance 'C' Forms from the customers till the finalization of assessment and therefore it has not been treated as Contingent Liability.
- 2.14 Confirmation of amount due from Sundry Debtors and due to Sundry Creditors, deposits, loans & advances have been received from most of the parties and necessary adjustments, if any, have been made in the Books of Accounts.
- 2.15 The previous period figures are regrouped and rearranged wherever necessary, in order to make it comparable with current year.

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 & INFRASTRUCTURE LTD.**

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

Sd/-
J. K. JAIN
Director

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Sd/-
SANJAY SETHI
Group CFO

Sd/-
SAMIR BAHRI
Company Secretary

Place : Indore
Date : 07.05.2013



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2013

Note No. 3: SHARE CAPITAL

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Authorized Capital		
15,000,000 Equity Shares of ₹10/- each (Previous year 10,000 Equity Shares of ₹10/- each)	150.00	150.00
800,000 2% Cumulative Redeemable Preference Shares of ₹100/- each (Previous year 800,000 Shares of ₹100/- each)	80.00	80.00
	230.00	230.00
Issued, Subscribed & Fully Paid up Share Capital		
13,200,000 Equity Shares ₹10/- each (Previous Year 13,200,000 Equity Shares ₹10/- each)	132.00	132.00
800,000 2% Cumulative Redeemable Preference Shares of ₹100/- each (Previous year 800,000 Shares of ₹100/- each)	80.00	80.00
	212.00	212.00

- 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.
- The Equity share holder is eligible for one voting Right per share held.
- Preference Shares hold preferential right of Dividend at fixed rate of 2% and preferential repayment of principal amount at the time of Redemption, i.e, in year 2014-15.
- The dividend on Equity Shares as proposed by the Board of Directors is subject to the approval of the shareholders. At the time of winding up, Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- In the F.Y. 2011-12 The Company had 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		
Mr. Surinder Singh Bhatia	14.08 % (P.Y. 14.08%)	1,858,840 Equity Shares of ₹10/- each (P.Y. 1,858,840 Equity Shares of ₹10/- each)
Ishhar Overseas Ltd.	7.97% (P.Y. 7.97%)	1,051,896 Equity Shares of ₹10/- each (P.Y. 1,051,896 Equity Shares of ₹10/- each)
Preference Shares @ ₹100/- each		
Mr. Gurvinder Singh Bhatia	50.00% (P.Y. 50.00%)	4,00,000, 2% Cumulative Redeemable Preference Shares of ₹100/- each (P.Y. 4,00,000, 2% Cumulative Redeemable Preference Shares of ₹100/- each)
Mr. Surinder Singh Bhatia	50.00% (P.Y. 50.00%)	4,00,000, 2% Cumulative Redeemable Preference Shares of ₹100/- each (P.Y. 4,00,000, 2% Cumulative Redeemable Preference Shares of ₹100/- each)

7. Reconciliation of Equity Shares :

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

8. Reconciliation of Preference Shares :

Particulars	No. of Shares	Amount (₹ In Millions)
Opening Shares	800,000 (PY 800,000)	80.00 (PY 80.00)
Add: Addition during the Year	Nil (PYNIL)	Nil (PYNIL)
Closing Shares	800,000 (PY 800,000)	80.00 (PY 80.00)

**Note No. 4: RESERVE AND SURPLUS**

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
General Reserve		
Opening	10.00	12.79
Add: Addition during the year	-	10.00
Less: Amount utilized towards issue of fully paid up Bonus Shares	-	(12.79)
Closing	10.00	10.00
Capital Redemption Reserve		
Opening	57.14	45.71
Add: Transferred during the year	11.43	11.43
Closing	68.57	57.14
Surplus of Statement of Profit & Loss		
Opening	14.32	104.73
Less: Amount utilized towards issue of fully paid up Bonus Shares	-	86.21
Add: Profit during the year	64.48	30.60
	78.80	49.12
Less: Appropriations during the year		
Transfer to General Reserve	-	10.00
Capital Redemption Reserve	11.43	11.43
Proposed Dividend on Equity Shares	9.90	9.90
Proposed Dividend on Preference Shares	1.60	1.60
Dividend Distribution Tax	1.95	1.87
Total of Appropriation	24.88	34.80
Closing	53.92	14.32
Grand Total	132.49	81.46

Note No. 5: OTHER LONG TERM LIABILITIES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Trade Payables	-	0.61
	-	0.61

Note No. 6: SHORT TERM BORROWINGS

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
SECURED		
Loans repayable on demand		
From Banks		
Cash Credit Hypothecation Limits from ¹		
Central Bank Of India	44.10	49.58
Bank of India	12.97	55.21
57.07	104.79	
Other Loans & Advances		
Buyer's Line of Credit Facilities from ^{1&2}		
Bank of India	458.61	113.20
Central Bank Of India	278.05	233.28
736.66	346.48	
793.73	451.27	

¹ Cash Credits & Buyer's Line Credit are secured by way of hypothecation on Stocks, Receivables, Bills and other Chargeable Current Assets, both 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.

² The Company has availed the Buyer's Credit facilities from both the above Banks by ear - marking the limits of Foreign Letter


Note No. 7: TRADE PAYABLES

₹ in Millions

Particulars	As at 31.03.2013	As at 31.03.2012
Sundry Creditors for Goods	131.54	74.60
Sundry Creditors for Expenses	16.57	22.40
	148.11	97.00

Note No. 8: OTHER CURRENT LIABILITIES

₹ in Millions

Particulars	As at 31.03.2013	As at 31.03.2012
Interest Accrued but not due on Borrowings	1.30	2.87
Income received in advance	0.01	0.02
Unpaid Dividend on Equity Share	0.94	0.26
Others		
Statutory Liabilities	13.16	0.48
Advance From Customers	0.96	0.02
Other Current Liabilities	0.18	0.65
	16.55	4.30

Note No. 9: SHORT TERM PROVISIONS

₹ in Millions

Particulars	As at 31.03.2013	As at 31.03.2012
Provision for employee benefits	0.09	0.06
Others		
Provision for Expenses	9.34	0.37
Provision for Income Tax	32.34	17.30
Provision for Dividend on Equity Share	9.90	9.90
Provision for Dividend on Preference Shares	1.60	1.60
Provision for Dividend Distribution Tax	1.95	1.87
	55.22	31.10

Note No. 10: NON CURRENT INVESTMENTS

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
TRADE		
Investment Property		
Land & Site Development	0.90	0.89
	0.90	0.89
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 31.03.2013 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 450 Equity Shares of ₹ 100 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
-Investment in Mutual Funds		
723230.473 Units of ₹ 10.37 each in Union KBC Equity Fund (P.Y. NIL) (Market Value as on 31.03.2013 is ₹ 7.50 Million (PY NIL))	7.50	-
	7.50	-
	8.62	1.11

**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	0.07%
4500 Equity Shares in Bhatia Global Trading Ltd.	Associates	0.01%
4500 Equity Shares in BCC Cargo Ltd.	Associates	0.06%
4500 Equity Shares in Ishhar Overseas Ltd.	Associates	0.05%

¹ All investments are fully paid up.

Note No. 11: DEFERRED TAX ASSET (NET)

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Deferred Tax Asset	0.02	-
	0.02	-

Note No. 12: LONG TERM LOAN AND ADVANCES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<i>(Unsecured, Considered Good)</i>		
Security Deposits	7.36	7.36
Loans to Employees	0.03	0.09
	7.39	7.45

Note No. 13: OTHER NON CURRENT ASSETS

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<i>(Unsecured, Considered Good)</i>		
Interest Accrued but not due	0.47	0.32
Miscellaneous Expenditure (To the extent not written off) ¹	-	0.26
	0.47	0.58

¹ Refer Note No.2.2

Note No. 14: INVENTORIES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Stock in Trade		
Indigenous Coal ¹	-	17.36
Imported Coal ²	178.73	191.87
Land ³	67.17	67.17
	245.90	276.40

Mode of Valuation

- Indigenous Coal : At Cost (including Direct Expenses) using FIFO Method or Market price whichever is lower.
- Imported Coal : At Cost (including Direct Expenses with specific identification method) or Market Price whichever is lower.
- Land : At Cost (including Registration Expenses.)

Note No. 15: TRADE RECEIVABLES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<i>(Unsecured, Considered Good)</i>		
Debt outstanding for a period exceeding Six months	90.05	15.30
Other Debts	763.01	157.46
	853.06	172.76

Refer Note no. 2.4 for debts due to Company where Directors are Interested.



Note No. 16: CASH & BANK BALANCES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Cash & Cash Equivalents		
Balances with Banks		
Current Account	51.63	6.24
Fixed Deposit having maturity 3 month or less ¹	0.01	-
Cheques, Draft on hand	4.92	-
Cash on hand	0.01	0.10
	56.57	6.34
Other Bank Balances		
Earmarked Balances - Equity Dividend Account ²	0.93	0.26
Fixed Deposit account having maturity more than 3 months but less than 12 months ¹	97.47	36.77
Fixed Deposit account having maturity More than 12 Month ¹	13.06	4.07
	111.46	41.10
Grand Total	168.03	47.44

¹ This includes Fixed Deposits with Banks held as security against the Bank Guarantee & Letter of Credit of ₹ 110.53 Millions (P.Y ₹ 40.83 Millions) and Balances with Sales Tax Department against Sales Tax Registration No. of ₹ 0.01 Millions (P.Y ₹ 0.01 Millions)."

² This balance is earmarked with bank for Unpaid & Unclaimed Dividend ₹ 0.26 Million for F.Y. 2010-11 and ₹ 0.67 Million for

Note No. 17: SHORT TERM LOAN AND ADVANCES

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
(Unsecured, Considered Good)		
Loans and Advances to related parties	36.31	345.07
Others		
Advance for Coal Purchase	-	0.56
Advance for Expenses	0.21	0.03
Advance Income Tax	21.24	5.91
Advance for Insurance	0.18	0.25
VAT Receivable	7.14	18.20
Service tax Receivable	0.20	0.30
Staff Advances	0.03	0.02
Staff loans	0.06	0.07
Prepaid Expenses	3.55	0.14
Earnest Money Deposits	0.03	0.05
Other Deposits Refundable	3.02	-
	71.97	370.61

Inter Company Deposits with Related Parties

₹ in Millions

Name of the Company	Outstanding as at the end of the Year	Maximum Amount O/s during the Year
Asian Natural Resources (India) Limited	- (P.Y. 345.07)	345.07 (P.Y. 345.37)
Bhatia Global Trading Ltd.	36.31 (P.Y. Nil)	257.30 (P.Y. 346.66)

Note No. 18: OTHER CURRENT ASSETS

₹ in Millions

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Interest Accrued but not due	2.64	1.39
	2.64	1.39

**Note No. 19: REVENUE FROM OPERATIONS**

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Coal Trading Division		
<i>Sale of Products</i>		
Imported Coal ¹	2,528.60	1,198.60
Indigenous Coal	17.91	230.80
<i>Sale of Services</i>		
Cargo Handling Charges Received	76.57	53.02
	2,623.08	1,482.42

¹. Sales of Imported Coal is net off by Rate, Quality & Quantity Deductions amounting to ₹27.24 Millions (P.Y. ₹21.88 Millions)

Note No. 20: OTHER INCOME

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Interest Income	26.61	26.77
Dividend	0.00	0.02
Other non-operating income	0.86	0.15
	27.47	26.93

Note No. 21: PURCHASE OF STOCK-IN-TRADE

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Coal Trading Division		
Imported Coal	2,305.25	1,200.45
Indigenous Coal	16.58	233.28
Cargo handling charges paid	65.51	46.07
Infrastructure Division		
Land	-	10.62
	2,387.34	1,490.42

Note No. 22: CHANGE IN INVENTORIES OF STOCK-IN-TRADE

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
(a) Opening Stock		
(i) Imported Coal	191.87	107.83
(ii) Indigenous Coal	17.36	5.14
(iii) Land	67.17	56.55
Total of Opening Stock	276.40	169.52
(b) Closing Stock		
(i) Imported Coal	178.73	191.87
(ii) Indigenous Coal	-	17.36
(iii) Land	67.17	67.17
Total of Closing Stock	245.90	276.40
Net (Increase)/Decrease in Closing Stock	30.50	(106.88)

**Note No. 23: EMPLOYEE BENEFIT EXPENSES**

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Salaries and Wages	2.68	2.50
Staff Welfare expenses	0.03	0.03
	2.71	2.53

Note No. 24: FINANCE COST

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Interest Expenses	19.32	19.04
Other Borrowing costs	57.03	13.93
Applicable Net gain loss on Foreign Exchange Translation	3.49	30.62
	79.84	63.60

Note No. 25: DEPRECIATION & AMORTIZATION

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
Preliminary Expenses (To the extent written off during the year) ¹	0.26	0.05
	0.26	0.05

¹ Refer Note No.2.2**Note No. 26: OTHER EXPENSES**

₹ in Millions

PARTICULARS	Year Ended on 31.03.2013	Year Ended on 31.03.2012
(a) Administrative, selling and other expenses		
Advertisement & Publicity.	0.07	0.08
Bad Debts	0.02	-
Brokerage & Commission	18.61	4.93
Electricity & Water Expenses	0.26	0.13
Loss on Foreign Exchange Fluctuation	21.46	1.96
Insurance Charges	0.02	0.01
Legal & Professional Charges	1.93	1.65
Listing Fees	0.11	0.09
Office Expenses	0.03	0.01
Pollution Control & Preventive Expenses	0.09	-
Rent & Taxes	3.08	0.19
Repairs & Maintenance Expenses	0.13	0.11
Sampling & Analysis Charges	0.53	0.41
Selling & Distribution Expenses	6.84	-
Stationary & Printing	0.17	0.25
Statutory Auditor's Remuneration (Also refer Note no. 2.5)	0.17	0.17
Telephone, Postage & Telegram Expenses	0.20	0.12
Travelling Expenses	0.13	0.03
Vehicle Running & Maintenance Expenses	0.01	0.09
Prior Period Adjustments (Net) (Refer Note No. 2.1)	(0.76)	-
	53.10	10.24



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

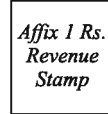
Regd. Folio No. / Client ID No.....

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 Twentieth Annual General Meeting of the Company to be held on Friday, the 12th day of July, 2013 at 11.00 AM at 4-4/5, Manoramaganj, Navratan Bagh Main Road, Indore 452 001 (M.P) and at any adjournment thereof.

Signed this.....day of2013

Signature.....



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.

Tear Off from here

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 Twentieth Annual General Meeting of the Company being held at 4-4/5, Manoramaganj, Navratan Bagh Main Road, Indore-452001 (M.P) on Friday, the 12th day of July, 2013 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.

**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