47th
Annual Report
2010-11

Cement Corporation of India Limited

Contents	Page No.

Cement Corporation of India Limited

Audit Committee

Shri V.K. Aggarwal
(Chairman)
Shri Pankaj Agarwal
(Member)
Shri R. Asokan
(Member)

Statutory Auditors

M/s. D.C. Garg & Co.
Chartered Accountants
1/4969, Balbir Nagar Extension
Shahdara, Delhi-110051

Registered Office

Core 5,
Scope Complex
7, Lodhi Road,
New Delhi-110003

Bankers

State Bank of India

State Bank of Hyderabad

Corporation Bank

Punjab National Bank

Dena Bank

Branch Auditors

M/s N. Sambashiv & Co.
Chartered Accountants,
Adilabad-504001

M/s. S. B. Mahipal & Co.
Chartered Accountants,
New Delhi-110048

M/s. Sunil Kumar Gupta & Co.,
Chartered Accountants,
Rohtak-124001

M/s. G. K. Rao & Co.
Chartered Accountants,
Secunderabad-500003

M/s. Taunk Khatri & Associates
Chartered Accountants,
Raipur-492001

M/s. G. Tosniwal & Co.
Chartered Accountants,
Guwahati-781001

M/s. Gopal And Rajan

Chartered Accountants,
Kadapa-516001

M/s. S.R. Toshniwal & Co.

Chartered Accountants,
Raipur-492001

BOARD OF DIRECTORS 2010-11

Shri R.P. Tak
Chairman & Managing Director

Shri Manoj Misra
Director (HR)

Shri Harbhajan Singh
Director

Shri R. Asokan
Director

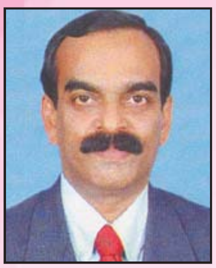
Shri V.K. Aggarwal
Director (w.e.f. 9.9.2010)

Shri Pankaj Agarwal
Director (w.e.f. 9.9.2010)

Smt. Divjot Kohli
Spl. Director (w.e.f. 24.11.2010)

HEADS OF DEPARTMENT (CORPORATE OFFICE)

Shri Ashwani Kumar Sonik, IRPS
Chief Vigilance Officer



Shri S. Saju. Domonic
GM (HR)

Shri S. Purohit
Addl. GM (Finance)

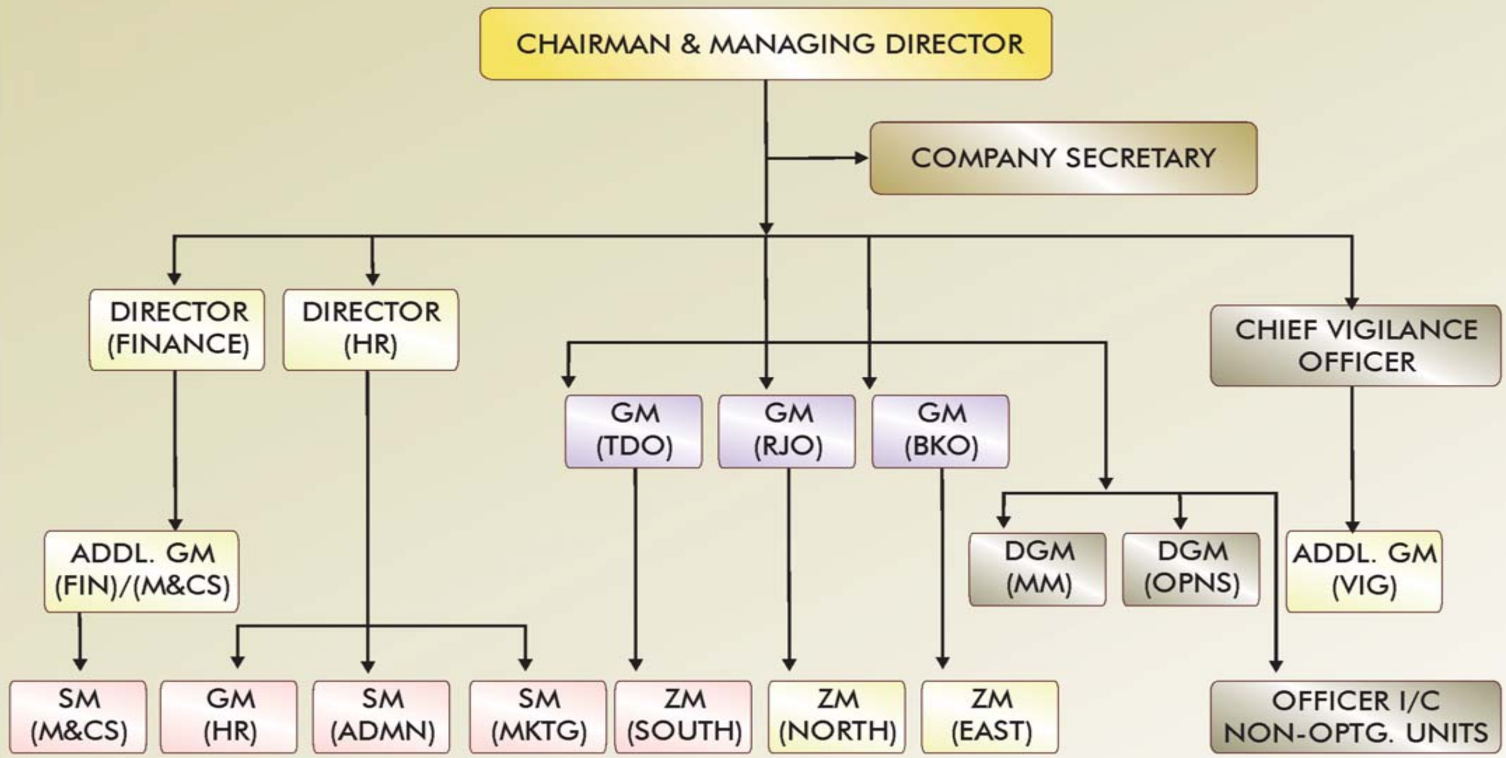
Ms. Saraswati Devi
DGM (Opns.)

Shri R.R. Deshpande
Sr. Manager (Admn.)

Shri S. Maithani
Sr. Manager (Mktg.)

Shri Ajay Kumar Sharma
Dy. Company Secretary

ORGANISATION CHART



OPERATING UNITS

(i) TDO - Tandur Cement Factory (Andhra Pradesh)
(ii) BKO - Bokajan Cement Factory (Assam)
(iii) RJO - Rajban Cement Factory (Himachal Pradesh)

NON-OPERATING UNITS

(i) Mandhar (Chhattisgarh)
(ii) Kurkunta (Karnataka)
(iii) Nayagaon (Madhya Pradesh)
(iv) Akaltara (Chhattisgarh)
(v) Charkhi Dadri (Haryana)
(vi) Adiladad (Andhra Pradesh)
(vii) Delhi Grinding (New Delhi)

GENERAL MANAGERS - OPERATING PLANTS

Shri V. K. Pandey
GM- Tandur

Shri A. K. Srivastava
GM- Rajban

Shri A. K. Bhardwaj
GM- Bokajan

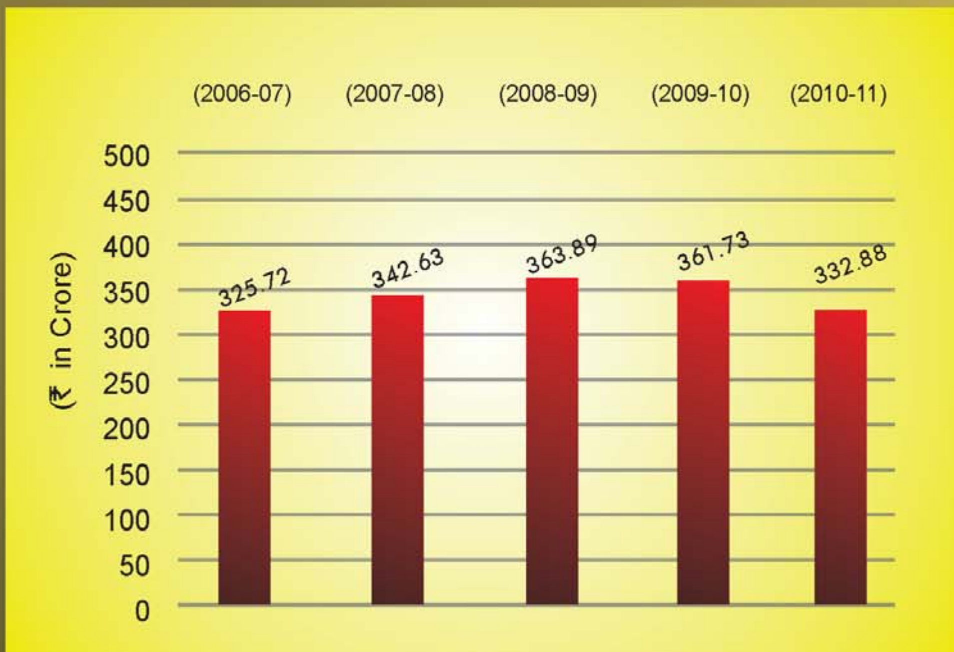
ZONAL MANAGERS

Shri Mukesh Kaushik
Z M (North)

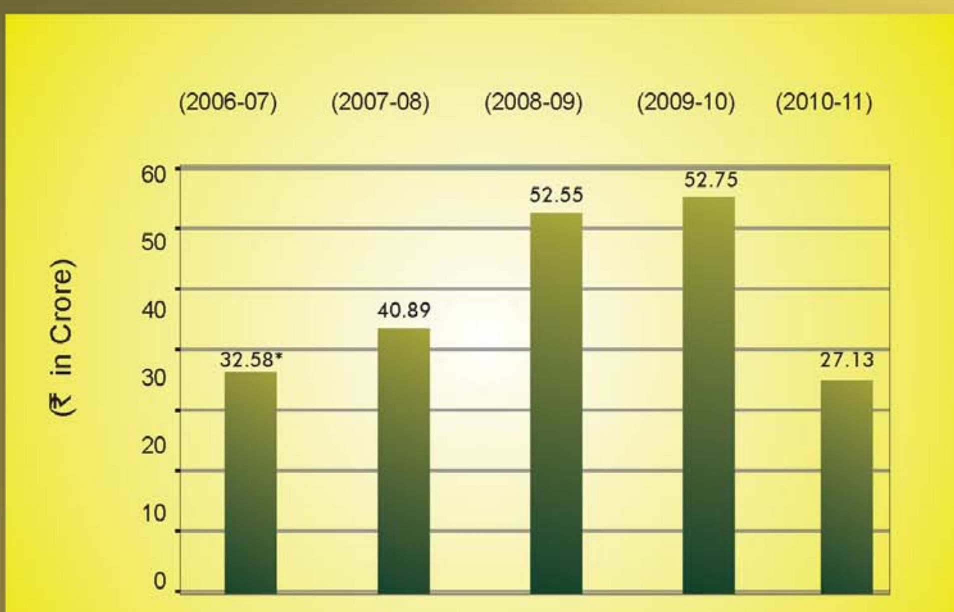
Shri R. D. Prasad
Z M (South)

Shri Sanjay Pandey
R M (East)

TURNOVER OF THE CORPORATION

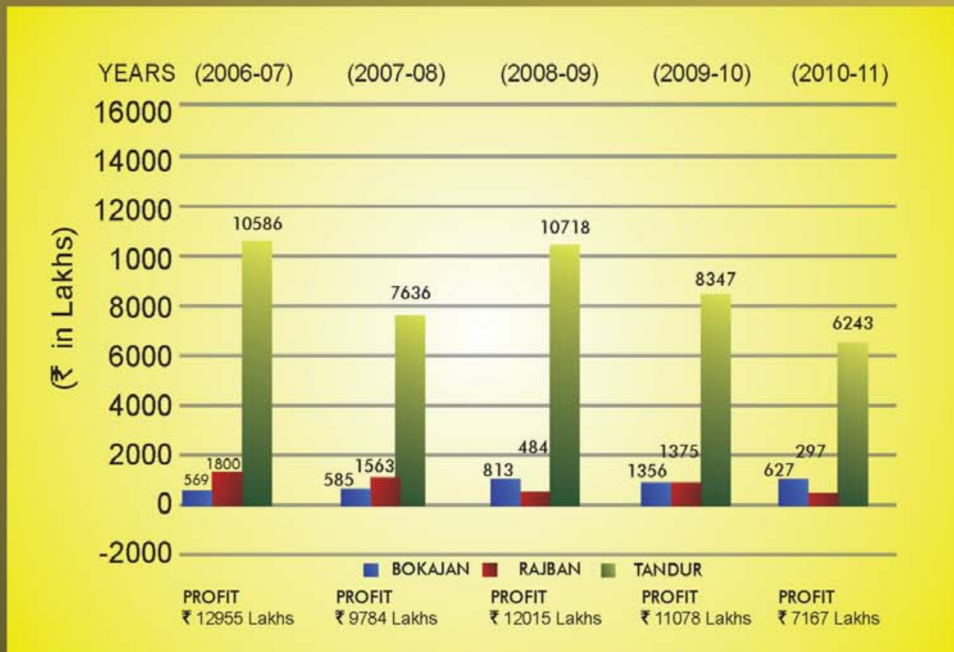


NET PROFIT OF THE CORPORATION

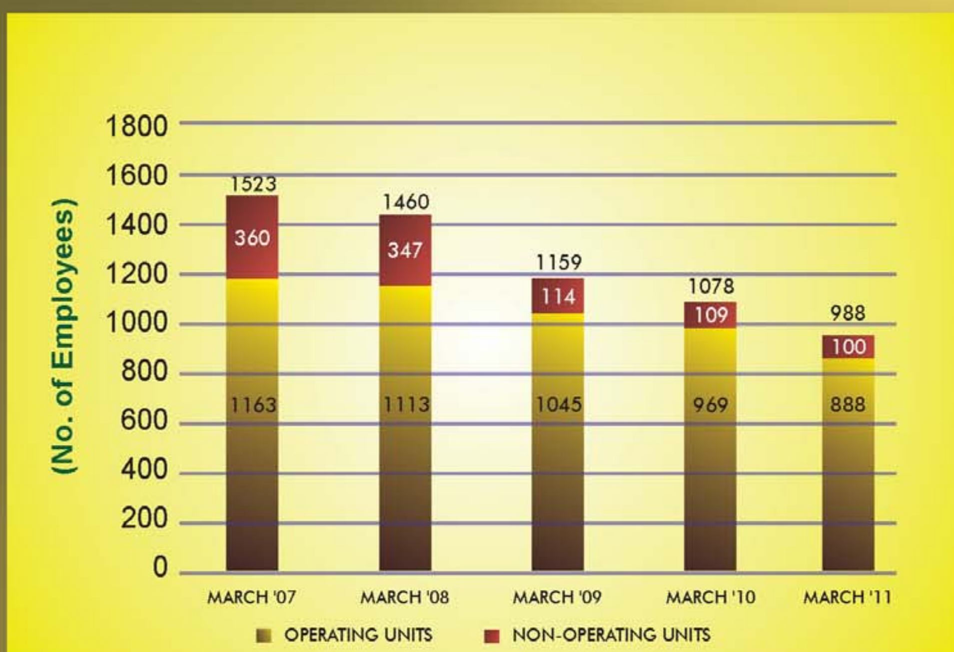


* Excludes reliefs and concessions as per the Sanctioned Scheme

OPERATING PROFIT OF OPERATING UNITS



MANPOWER POSITION



AWARDS GALORE

1. The excellance award instituted by the Institute of Economic studies (I.E.S.), New Delhi was conferred on corporation in March, 2005 for acheiving Excellance in Productivity, Quality, Innovation and Management.

2. Manal Limestone Mine in Mines Safety Weeks (MSW) and Mine Enviornment & Mineral Conservation week (MS & MCW) participated in various competitions from 2002-03 onwards and various prizes were won in consecutive years from 2001 onwards till date.

A. Various Prizes were won by Rajban Unit organised by Directorate of Mines Safety, Ghaziabad Region as detailed below.

	2007-08	2008-09	2009-10	2010-11
1. Mine working & Roads	First Prize	—	First Prize	Second Prize
2. Explosives	Third Prize	—	Second Prize	First Prize
3. Training & Personnel	—	Second Prize	Second Prize	Second Prize
4. Overall Performance	Third Prize	Third Prize	Third Prize	—
5. Machinery & Maintenance	Second Prize	—	—	—
6. Publicity & Propoganda	—	Second Prize	Third Prize	—
7. Noise & Air Pollution & LIghting	Third Prize	First Prize	Third Prize	—
8. Welfare, House-keeping and Protective Equipments	First Prize	Third Prize	Second Prize	—

B. Mines Environment & Mineral Conservation week organised by Indian Bureau of Mines, Dehradun Region for the year 2007-08, 2008-09, 2009-10 & 2010-11.

"DHRUV" Trophy for Large Mechanised Mine for extra-ordinary efforts for the protection of Environment & Mineral Conservation.

C. Various Prizes were won by Tandur Unit for mines safety (DGMS awards for group large mechanised mines) & mines environment and mineral conservation (IBM awards) as detailed below :-

		2008-09	**2009-10**	**2010-11**
Mine Working	-	Second Prize	—	—
Top Soil & Water Quality Management	-	First Prize	Second Prize	—
Air Quality Management	-	—	First Prize	—
Publicity & Propogonda	-	—	—	Second Prize

Mines Safety Week Celebrations organised by the Mines Safety & Productivity Council during 2008 :

a. Group-1 Category Mines - Second Prize in Publicity, Productivity and innovations

b. Hazard Identification and risk management - Second Prize

D. Following Prizes were won by Bokajan Unit during mines safety week for the Year 2005-06 :-

Open Cast mines Working - Third Prize

Publicity and Propaganda - Second Prize

General Health & Wellfare	-	First Prize
Drilling & Dumper Operations	-	Third Prize
Overall mines Performance	-	Second Prize
Mines Survey & records	-	Second Prize

The Bokajan unit won the First Prize in “Mines Waste Dump Management” among North-East Mines during Mines Environment Conservation Week under the guidelines of Mines Statutory Body “Indian Bureau of Mines”.

3. CCI has been awarded the ‘All India Organisations of Employees Industrial Relations Award’ for the year 1993-94 for promoting sound Industrial Relations environment.

4. May Day Award 1994.

5. Bokajan Cement Factory has bagged the National Safety Award for the year 1990.

6. Kurkunta Cement Factory has bagged the National Award for energy efficiency in Cement Industry for the year 1989-90 awarded by the National Council of Cement & Building Materials (NCCBM) in association with Ministry of Energy.

7. CCI has been awarded second prize under Indira Gandhi Raj Bhasha Award for 1987-88 for outstanding achievement in promoting the official language policy of the Government.

8. The Annual Report and Accounts (1986-87) of the Company were highly commended and awarded the plaque by the Institute of Chartered Accountants of India (1988).

9. CCI has been awarded the International Asia Award 1984 in consultation wilth the Chamber of Commerce and Industry for distinguished contribution towards development and evolution of economy in Asian Area (1984).

10. The Annual Report and Accounts (1982-83) of the Company were highly commended and awarded the plaque by the Institute of Chartered Accountants of India (1984).

11. Mandhar Cement Factory was selected for productivity award (second best among all cement factories) by the National Productivity Council for the overall productivity for the year 1983.

12. Kurkunta Cement Factory which had operated at more than 110% capacity during 1982-83 was adjudged by the National Productivity Council as best among all factories in Cement industry for its highest overall productivity in the productivity year 1982.

13. Mandhar Cement Factory was adjudged by the National Productivity Council as the best in terms of ‘Energy Conservation’ which is one of the core factors of productivity for the year 1982.

14. The Annual Report and Accounts (1980-81) of the Company were adjudged the best and awarded the SILVER SHIELD by the Institute of Chartered Accountants of India (1982.)

15. The Annual Report and Accounts (1979-80) of the Company were highly Commended and awarded the plaque by the Institute of Chartered Accountants of India (1981.)

16. The Annual Report and Accounts (1978-79) of the Company were highly Commended and awarded the plaque by the Institute of Chartered Accountants of India (1980.)

Speech of the Chairman at the 47th Annual General Meeting

Dear Shareholders,

On behalf of the Board of Directors and on my own behalf, It gives me immense pleasure and privilege for me to extend a warm welcome to all of you on this occasion of 47th Annual General Meeting of the Company. I consider it an honour to place before you the Audited Balance Sheet as on 31st March, 2011, Profit & Loss Account for the year ended on that date and the Report of Board of Directors and Auditors thereon, of your Company for your consideration and adoption. These documents are already with you and with your permission I take them as read.

Turnaround Award

It is a matter of great pleasure to inform you that your company has been conferred with "Turnaround BRPSE Award, 2010" along with other 10 PSUs. The award shows that the hardwork put in by executives and employees as well as meticulous planning over the years by the management, has resulted into the BRPSE conferring this important award to the Corporation on 10th March, 2011. The award signifies the diligence and hardwork put in by the employees/ executives as well as management of the Corporation.

Industry Scenario

The cement industry, which registered impressive growth in double digits over the last few years, entered a phase of deceleration with the demand slackening during the year under review. The industry's demand growth during the year was a meager 4.7% according to information furnished by Cement Manufacturers' Association, which is the lowest in the last ten years. This aberration in the growth according to experts is due to the general slow down in the infrastructure and real estate sectors due to the rising cost of finance. The Reserve Bank of India has been hiking the key rates – Repo and Reverse Repo in the year 2010 with a further dosage during the current year resulting in lending rates across all loans becoming costlier leading to a fall in demand. While on the one hand, the growth in demand dropped steeply, on the other hand, in anticipation of all-round growth, the industry had ploughed in substantial money to create additional capacities. Sudden burst in capacity expansion coupled with low demand growth led to fierce competition for market share which resulted in prices dropping to unremunerative levels during the second quarter of the year under review. Consequently, the capacity utilization of the industry also fell substantially in Financial Year 2010-11. However, during the second half of the financial year the industry was able to recover some portion of the lost ground with more remunerative prices in the market place.

While supply side pressures impacting the selling prices, cost side pressures were also unrelenting in the form of enhanced energy (coal and power) cost. In addition to above the full year impact of the increase in Excise Duty on cement from 8% to 10% announced in March 2010 has also affected profitability adversely.

Company Performance

With the backdrop of negative growth in the markets catered to by the company's plants, the overall production was marginally lesser than last year.

During the year, the total Sales Turnover including Excise Duty is Rs.332.88 crores and the Company earned an operating profit of Rs.71.70 crores. After adjustment of interest and depreciation amounting to Rs.44.75 crores, the net profit for the Company as a whole was Rs.27.13 crores.

The abnormal increase in the input cost coupled with less realisation as compared to earlier year and low demand of cement during the year under review were main reasons which affected profitability of the Corporation adversely. Your Company has also resorted to austerity measures to reduce operating expenses and the economies are also being brought in wherever feasible to rationalise the overheads and other expenses.

The Company repaid the principal amount of loan amounting to Rs.128.62 crores in February, 2011 from its own resources after seeking the approval from Hon'ble BIFR.

The year in retrospect

During the year 904421 MT of cement was sold as against 966787 MT during the previous year which is marginally lower than the previous year. The downward trend has affected the Company's performance with lower realization during the year i.e. Rs.168.42 per bag during the year as against Rs.172.60 per bag in the previous year.

The current year is also expected to witness slow growth scenario due to further addition of capacities. Keeping in view the potential of India's economy growth, the present scenario could be short term and we are looking forward for improvement in the market scenario in the later part of the year 2011.

Quality Management

Special emphasis continued to be on quality of cement produced at all the three operating plants. In order to ensure continued confidence of customers in the quality of our products, monthly cement samples were tested for complete physical and chemical parameters in reputed Government / private laboratories.

On-going projects

Your company is experiencing shortage of personnels to monitor ongoing projects activities. However, to accomplish the task of the projects executives deployed for operational activities at units are also being utilised for project activities. To fill the gap, a recruitment drive for recruiting the project personnel including senior management personnel is under way. The projects are running behind the schedule but all-out efforts are being made with available resources to complete the projects.

Human Resource Initiatives

The Company attaches the highest priority to the quality of intellectual capital at its disposal and believes that knowledge and skill level of its employees are the key to achievements of its corporate mission.

During the past one year, your Company has laid greater emphasis on Human Resources Development. We have been devoting substantial resources on building a skilled workforce that has an innate capability to counter threats posed by ever changing business environment and to take advantages of opportunities presented to serve ever increasing customer base.

Your Company have been successfully recruited executives in different fields. However, the need of experienced technical professionals still exists at all the three operating units. The recruitment drive for executive cadre is under way.

Looking Ahead

Your Company is in process of increasing capacity of its plants. The investment required is being made from its own sources whereas as per the Sanctioned Scheme, same were to be funded from sale proceeds of closed plants. Replacement of old equipments with energy efficient equipments is also being undertaken.

Product diversification will be taken up to manufacture value added products like electric poles, ready mix concrete (RMC) etc.

To professionalize the overall operations and optimize the business processes across the Organization, your company has decided to implement a state of the art Enterprise Resource Planning (ERP) Solution in its various plants, zonal offices and connect the same with the Head Office.

Acknowledgement

Your continued support and confidence inspired us in all our endeavors for excellence and on behalf of the Board of Directors of your Company, I wish to convey our sincere thanks to you and Govt. of India particularly to the Department of Heavy Industry, Government of India for their guidance and support in all our pursuits.

We also extend our gratitude to our esteemed customers both in Govt. Sector and private sector for their continued overwhelming support to the products of CCI.

I acknowledge overwhelmed support of Govt. of India, State Governments, CAG and all other concerned Authorities and Agencies, Bankers, Statutory Auditors, Principal Director & MAB-II.

Last but not the least, I would like to place on record my sincere appreciation for the commitment, involvement and dedication exhibited by the employees in the overall development and growth of the Corporation.

Thanking you,

Jai Hind

Place : New Delhi

Dated : 21st September 2011

(R. P. TAK)

CHAIRMAN & MANAGING DIRECTOR

DIRECTORS' REPORT
To the Shareholders

Gentlemen,

1. On behalf of the Board of Directors of your company I am delighted to present the 47th Annual Report of your Company along with the audited accounts for the year ended 31st March, 2011, the Auditor's Report and the Report of the Comptroller & Auditor General of India.

2. Financial Highlights 2010-11 Vs 2009-10

(Rs. In crores)

	As on 31.3.2011	***As on 31.3.2010***
Sales Turnover	***332.88***	*361.73*
Profit / (Loss)	***27.13***	*52.75*
Depreciation	***7.74***	*8.99*
Cash Profit/(Loss)	***34.87***	*61.74*
Interest	***36.83***	*38.05*
Operating Profit/(Loss)	***71.70***	*99.79*

The profitability of company has gone down due to slight increase in input costs of coal and power as increased by the supplying agencies. The frequent breakdown due to old age plants restricted production which resulted in higher operating cost and lower profit margin.

Cement industry registered the lowest growth in production and despatches in the past 10 years. Subdued growth in key cement consuming states, driven by slow implementation of infrastructure projects coupled with lower availability of labour for construction, high interest rates on housing loans, extended monsoon and non-availability of railway wagons, resulted in slower growth. Accordingly, this has impacted performance of your units at different regions. However, all efforts are on to improve the performance in the current year.

3. Turnaround Award

Your company has been conferred with "Turnaround BRPSE Award, 2010" along with other 10 PSUs. The award shows that the hard work put in by Executives and employees as well as meticulous planning over the years by the management, has resulted into the BRPSE conferring this important award on the Corporation on 10th March, 2011. Inspite of severe human resource constraints, employees at all levels have contributed significantly for the present turnaround of the Corporation.

(Turnaround Award 2010 by BRPSE)

4. Capital Structure

There has been no change in the capital structure of your Company during the year under review.

5. Government Loans

Corporation has repaid total Non-plan loan of Rs.128.62 crores from its own resources, though the same was to be repaid out of sale proceeds of non-operating units as per the Sanctioned Scheme.

6. Operations

Performance of operating units

The capacity utilization of operating plants individually and collectively is stated as under:-

	BOKAJAN		**RAJBAN**		**TANDUR**		**FOR OPERATING PLANTS ONLY**	
	09-10	**10-11**	**09-10**	**10-11**	**09-10**	**10-11**	**09-10**	**10-11**
CAPACITY UTILISATION OF CEMENT (%)	75.81	67.31	75.55	63.36	63.08	61.0	66.96	62.27
CEMENT PRODUCTION (MT)	150100	133265	187360	157130	630765	610045	968225	900440
DESPATCH	151096	134110	188544	153949	627413	616289	967053	904348

Total cement production during the year under review was 900440 MT as against 968225 MT in the year 2009-10. The year 2010-11 was very challenging for your company in regard to production of clinker and cement as well. Tandur being major production unit with installed capacity of ten lakh MT faced frequent stoppage due to damaged condition of Kiln Shell at 2-3 places. To overcome this problem old Kiln Shell will be replaced in the current financial year. Despite frequent stoppage of plant still the Tandur Unit could produce 610045 MT of cement which is marginally less than that of the previous year.

Frequent Bandhs in the State of Assam and insurgency activities in the area affected production of the Bokajan plant. The unit produced 133265 MT of Cement during the year 2010-11.

The Rajban Plant produced 157130 MT cement during the year 2010 -11 against 187360 MT in the previous year. The performance of the Rajban unit affected due to disruption in coal supply. However, the company made persistent efforts to improve the supply of coal to Rajban Unit.

7. On-going projects

(I) Bokajan Expansion Project & setting up of Silchar Grinding Unit

During the year your company has placed Work order for design, engineering, manufacture, supply of equipments, civil work, erection & commission of 1200 TPD new clinkerisation unit for Bokajan plant and Setting up of Silchar Grinding Unit of 50 TPH. The initial activities of project is almost complete. The project is running behind the schedule. However, the Company is making all efforts for early completion of projects.

(View of Bokajan Plant)

(II) Technology Upgradation

CCI has taken up the following technology upgradation schemes at Tandur as envisaged in Sanctioned Scheme :–

(View of Tandur Plant)

(i) Orders for complete Mechanical Transport System in place of Pneumatic Transport on turnkey basis for Raw Mill, Kiln Feed and Cement Mill -I & II Sections and three energy savings systems have been placed with financial involvement of Rs.6.91 crore.

(ii) The Work Order for design, engineering, manufacture, supply, erection & commissioning of ESP in clinker cooler on turnkey basis has been awarded to M/s. Andrew Yule, Kolkata at a total cost of Rs.10.85 crore. With help of these equipments efficiency of Tandur plant will be increased along with saving on power bill.

8. Marketing

During the year under review 904348 MT of cement was despatched as against 967053 MT during the previous year, which is marginally less than the previous year. The overall downtrend of Cement Industry in the country had also impacted your company's sales targets. The sluggish demand and capacities added during the year had adversely affected the realization of cement manufacturers in the country. Except for a short period in 3rd and 4th qtrs. the prices remained under pressure during the year under review. The realization during the year dropped from Rs.172.60 per bag in the previous year to Rs. 168.42 per bag affecting the profitability of your company adversely.

9. Customer Care

Your company takes utmost care while dealing with the valuable Customers; their complaints are redressed on top most priority. Their suggestion are taken as guiding factors for further improvement in our services up to their satisfaction.

10. Quality

Your Company is committed to supply quality cement products to its customers at the 3 operating Units. Special emphasis is, therefore, been laid on quality of cement produced by regular testing of cement samples in CCI's own well equipped laboratories being maintained at each plant, monthly samples are being tested for complete physical & chemical parameters in reputed Government/Private laboratories to ensure 'Zero' defect Quality and above BIS norms. Our focus is not only on the quality of cement dispatched but on producing superior and high quality of cement on sustained basis.

11. Human Resource Management & Industrial Relations

(Flag Hosting by G M- Rajban)

Your Company lays utmost importance on the human resources as employees are the most valued asset of any organization. The well being of any organization is linked to the well being of employees. Your Corporation is committed to develop human resources and provide them with greater opportunities linked to their contribution to the organization's objectives. The Corporation has been making all efforts to ensure development of human competencies and welfare of its most important and valuable asset i.e. its employees.

In order to motivate the employees at all levels of the operating units and Corporate Office who are putting their best efforts for turning around of the Company, certain HR initiatives were taken to upkeep their moral and motivation.

The Industrial Relations remained peaceful throughout the year in all the units of the Corporation. Regular discussions and interactions are being conducted with the trade unions and employees at various forums which have significantly contributed towards resolving differences and improving industrial relations resulting into no mandays lost during the year.

(View of Rotary Kiln at Rajban Plant)

12. Human Resource Development

Your Company is conscious about the need of Human Resource Development and has made efforts and given thrust towards development and optimum utilization of human resources to put up a healthy work culture and to achieve higher goal and productivity as well as to meet the challenges of the future. The employees at all level are given opportunities to develop their skill and knowledge for their performance enhancement in the competitive business scenario. Training and development of employees is given priority in the Company for improving effectiveness of the organization as well as of the individuals.

13. Official Language Implementation

The Corporation continued its efforts for progressive use of official language in line with the Official Language Policy of the Govt. The Official Language Implementation Committee meeting takes place regularly and the Corporation also takes active part in the Town Official Language Implementation Committee. Hindi Week/Fortnight is being celebrated to encourage and motivate the employees for more and more use of Hindi in their day-to-day official work.

(View of Tandor Plant)

Regular inspections by the Ministries and Department of Official Language are being conducted to oversee the use of Official Language in the Corporation.

14. Corporate Governance

CCI believes in financial prudence, customers' satisfaction, transparency, accountability and commitment to stakeholders. CCI practices based on its stated belief and the guidelines the Government of India issues from ;time to time should go a long way to enhancing value for all those who are associated with the Corporation; shareholders, customers, suppliers, creditors, Government of India, State Governments, Government Agencies/Departments and the society at large.

15. Activities and achievements of the Vigilance Department

Vigilance Department functions as an integral part of the management aiming at promoting the culture of honesty, managerial effectiveness and transparency efficiency in the functioning of the Corporation. Through formal as well as informal interactions, vigilance awareness is inculcated amongst the employees at all levels in the Corporation and main emphasis is given on preventive vigilance and system improvement with a view to eliminate the scope for indulging in malpractices. Existing system and procedure are examined with a view to plug the loopholes and simplify the system for transparency in the functioning of all Departments of the Corporation.

Pursuant to CVC's instructions on transparency, tenders are being put on web site and web enabled public grievance system has been introduced for lodging complaints online.

All prescribed Returns relating to vigilance functioning as prescribed are being sent to CVC, DHI, etc. regularly.

16. Status of sale of CCI Units

The Assets Sale Committee is being reconstituted as per the direction and guidelines of Hon'ble BIFR. Once ASC is reconstituted the sale process will get momentum. The sale of non-operating units will be done through e-auction by Government approved e-autioneers.

17. Particulars of employees as required under Section 217(2A) and 217(1)(e) of the Companies Act 1956 etc.

Information as per Sub Section 2(A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, and forming part of Directors Report for the year ended 31.03.2011 NIL

As required under the provisions of Section 217(I)(e) of the Companies Act, 1956, information under Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed herewith.

18. Directors' Responsibility Statement under Section 217(2AA) of Companies Act,1956

Your Directors confirm that :-

a) In the preparation of the annual accounts, the applicable accounting standards have been followed:

b) Such accounting policies have been selected and applied consistently and such judgments and estimates have been made which are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period :

c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d) The annual accounts have been prepared on a going concern basis.

19. Auditors

M/s. D.C. Garg & Co., Chartered Accountants, New Delhi were appointed as Principal Statutory Auditors for the year 2010-11 and M/s. G Tosniwal & Co., M/s. Gopal & Rajan, M/s N. Sambashiva & Co., M/s S.B. Mahipal & Co., M/s S.R. Toshniwal & Co., M/s Taunk Khatri & Associates, M/s Sunil Kumar Gupta & Co., M/s G.K. Rao & Co. were appointed as Branch Auditors. The report of the Statutory Auditors and replies thereto, and Nil comments of the Comptroller & Auditor General of India are annexed to this report.

20. Board of Directors

During the period under report, the following changes took place in the Directorship of your Company.

(i) Shri R.P. Tak, Director(Finance) has been appointed as Chairman & Managing Director of your Company w.e.f. 26th November, 2010 earlier Shri Tak was having additional charge of Chairman & Managing Director.

(ii) Shri V.K. Aggarwal, Former Additional Chief Secretary, Government of Maharashtra and Shri Pankaj Agarwal, FCA were appointed as non-official Part-time Directors on the Board of the Company w.e.f. 09.9.2010.

(iii) Smt. Divjot Kohli was appointed as Special Director (BIFR nominee) on the Board of CCI w.e.f. 24.11.2010.

(iv) Shri Manoj Misra has been appointed as Director(HR) of your Company w.e.f. 07.3.2011.

21. *Acknowledgement*

Board acknowledges the support and guidance your Corporation received from Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Govt. of India and also the support and cooperation of the Ministry of Railways, DGS&D, PSEB, BRPSE, Bankers and other Central and State Government Departments. We extend our gratitude to our esteemed customers both in Govt. and private sector for their continued overwhelming support to the products of CCI.

The Directors are thankful to M/s D C Garg & Co., Chartered Accountants, Comptroller & Auditor General of India and Principal Director of Commercial Audit and Ex-officio Member, Audit Board-II. The Directors wish to place on record their deep appreciation for the dedication of employees of the Corporation.

Place : New Delhi

Dated : 21st September 2011

(R.P. TAK)

CHAIRMAN & MANAGING DIRECTOR

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

A. **Conservation of Energy**

(a) Energy conservation measures taken :-

i. Replacing inefficient/higher capacity motors with efficient/low capacity motors.

ii. By converting the motors, which were running under loaded from delta to star connection.

iii. Avoiding idle running of equipment.

iv. Improving the power factor of the plants by installing capacitors.

v. Installing demand controllers for effective control of maximum demand.

vi. Maintenance of fineness of coal within desired limits for better combustion efficiency.

vii. Arresting leakages in preheater tower to maintain oxygen percentage in the exit gases at the optimum level.

viii. Operation of Raw mill circulating fan through LRC at Rajban unit and LRC installed in the pre heater fan of kiln section have been made operative.

ix. Providing MCBs at colony & Plant at Rajban unit.

x. Conventional light fittings have been replaced with new Energy efficient Fan, Chokes & regulators at Rajban unit.

xi. Enhancement of buckets in Rope way Section to get the benefit of reduction in the Power consumption at Bokajan unit.

xii. Replaced HPMV lamps with that of sodium vapour lamps and fluorescent tubes with 9, 16 & 18V CFL lamps and also by using Energy Efficiency chokes/regulators.

(b) **Total energy consumption and energy consumption per unit of production:**

	(2010-2011) (Operating Units only)	(2009-2010) (Operating Units only)
1. Electricity		
a) Purchased		
i) Units	117287207	129983117
ii) Total amount	442580610	366463976
iii) Rate per Unit	3.77	2.82
b) Own generation		
i) Through Diesel Generation Unit (KWH)	2394341	3516450
Unit/ litre of diesel oil (KWH / litre)	3.54	3.14
Cost per Unit(Rs./KWH)	9.96	9.98

2. **Coal**

i)	Qty.consumed(Tonne)	187391	215566
ii)	Total Cost(Rs)	605754389	647910670
iii)	Average rate (Rs./MT)	3233.00	3006.00

Consumption per unit of production

i)	Electricity (KWH/ tonne of packed	138	136

Cement incl. Township)

ii)	Booked coal (kg./kg. of clinker production)	0.2284	0.2226
iii)	Coal Quality (UHV) (K.Cal/kg. of coal)	4417	4416

B. Technology Absorption

I. Research and development (R&D)

i) Specific Areas in which R&D was carried out by the company – Quality control/improvement activities as mentioned in point no. iv are undertaken.

ii) Benefits derived as a result of the R&D –

iii) Future plan of action:

iv) Expenditure on R&D (2010-11) : (₹ in crores)

a)	Capital	—
b)	Revenue	3.20
c)	Total	3.20
d)	Total R&D Exp. As a % of total turnover	0.96

II. Technology Absorption, Adoption & Innovation

As no technology was imported in the year, the information on absorption, adoption and innovation is NIL.

C. Foreign Exchange Earnings and outgo

From time to time we are receiving export enquiries from different parties. Due to locational disadvantage of our plants, which are for away from sea ports, our inland freight from plants to the nearest sea ports works out to be on higher side. Due to this reason our FOB prices do not work out competitive. Close monitoring is being done on export front, to avail the opportunity, as and when arises. However, entire production of cement is being sold in the domestic market.

	(₹ in crores)
Total foreign exchange used and earned :	-
Total foreign exchange used during the year :	0.40
Total foreign exchange earned during the year :	Nil

Resources and Utilisation of Resources

(₹ in lakhs)

PARTICULARS	2010-11	2009-10	2008-2009
Resources			
Net worth	**(1,85,36.34)**	(2,13,61.30)	(2,66,92.90)
Borrowings	**3,71,71.53**	4,68,75.17	4,40,82.59
TOTAL	**1,86,35.19**	2,55,13.87	1,73,89.69
Utilisation of Resources			
Fixed Assets	**6,87,95.27**	6,81,52.31	6,77,46.26
Less : Depreciation	**5,65,20.38**	5,58,41.36	5,49,42.92
SUB TOTAL	**1,22,74.89**	1,23,10.95	1,28,03.34
Investments	**2,27.98**	2,27.98	2,27.98
Net Current Assets	**61,32.32**	1,29,74.94	43,58.37
TOTAL	**1,86,35.19**	2,55,13.87	1,73,89.69
Income & Expenditure			
Income			
Sales & Despatches	**3,02,03.14**	3,30,08.48	3,19,47.50
Accretion/(Decretion) to Semi finished goods and transfer of clinker	**83.18**	4,17.21	4,08.16
Other Income	**58,92.85**	34,62.44	44,01.94
TOTAL	**3,61,79.17**	3,68,88.13	3,67,57.60
Expenditure			
Raw materials & Stores	**55,25.50**	52,69.20	50,75.76
Depreciation	**7,74.32**	8,99.44	11,07.10
Interest	**36,83.41**	38,05.07	37,13.63
Other Expenses	**2,34,83.14**	2,16,39.52	2,16,06.54
SUB TOTAL	**3,34,66.37**	3,16,13.23	3,15,03.03
Profit/(Loss)	**27,12.80**	52,74.90	52,54.57
TOTAL	**3,61,79.17**	3,68,88.13	3,67,57.60

What We Earned and How we Spent

(₹ in lakhs)

PARTICULARS	2010-11	2009-10	2008-2009
1. What we earned			
Sales and despatches & clinker transfer	**3,02,03.14**	3,30,08.48	3,19,47.50
Misc. Income	**58,92.85**	34,62.44	44,01.94
Accretion/(Decretion) to Semi-finished goods and finished goods	**83.18**	4,17.21	4,08.16
TOTAL	**3,61,79.17**	3,68,88.13	3,67,57.60
2. How we Spent			
Raw Materials	**38,22.34**	36,29.70	34,11.95
Stores & packing Materials	**17,03.16**	16,39.50	16,63.81
Emp. Remuneration & Benefits	**49,97.08**	45,97.46	57,24.09
Power	**44,66.66**	36,98.23	38,42.61
Coal & fuel	**64,48.85**	68,83.64	58,09.42
Repairs & Maintenance	**18,21.72**	16,94.06	15,62.54
Selling Expenses	**36,06.84**	29,42.59	24,92.29
Interest	**36,83.41**	38,05.07	37,13.63
Depreciation	**7,74.32**	8,99.44	11,07.10
Other Expenses	**21,41.99**	18,23.54	21,75.59
SUB-TOTAL	**3,34,66.37**	3,16,13.23	3,15,03.03
Profit/(Loss)	**27,12.80**	52,74.90	52,54.57
TOTAL	**3,61,79.17**	3,68,88.13	3,67,57.60

Sources & Application of Funds

(₹ in lakhs)

PARTICULARS	2010-2011 Sources	2010-2011 Uses	2009-2010 Sources	2009-2010 Uses	2008-2009 Sources	2008-2009 Uses
A. Internal Generation :						
Additions to Reserves & Surplus	**27,12.80**	**-**	52,74.90	-	52,54.57	-
Depreciation	**7,74.32**	**95.30**	8,99.44	1.00	11,07.10	-
Provisions	**-**	**3,33.99**	-	1,61.38	-	23,15.86
TOTAL	**34,87.12**	**4,29.29**	61,74.34	1,62.38	63,61.67	23,15.86
B. Long term sources & uses						
Share Capital	**-**	**-**	-	-	-	-
Long term loans	**31,58.36**	**1,28,62.00**	27,92.58	-	20,84.72	25,20.86
Investments	**-**	**-**	-	-	-	-
Additions to Fixed Assets	**-**	**6,42.96**	-	4,06.05	-	6,92.73
TOTAL	**31,58.36**	**1,35,04.96**	27,92.58	4,06.05	20,84.72	32,13.59
C. Short Term Sources & uses						
Increase/(Decrease) in working capital	**71,76.61**	**-**	-	84,55.19	-	28,73.48
Deferred Revenue Expn. written off	**1,12.16**	**-**	56.70	-	-	43.46
TOTAL	**72,88.77**	**-**	56.70	84,55.19	-	29,16.94
Summary						
Internal Generation	**34,87.12**	**4,29.29**	61,74.34	1,62.38	63,61.67	23,15.86
Long term sources & uses	**31,58.36**	**1,35,04.96**	27,92.58	4,06.05	20,84.72	32,13.59
Short term sources & uses	**72,88.77**	**-**	56.70	84,55.19	-	29,16.94
TOTAL	**1,39,34.25**	**1,39,34.25**	90,23.62	90,23.62	84,46.39	84,46.39

Contribution to Exchequer

(₹ in lakhs)

PARTICULARS	2010-2011	2009-2010	2008-2009
Excise Duty	**25,59.94**	31,68.98	41,34.03
Sales Tax	**33,25.99**	32,34.60	33,95.63
Royalty & Cess	**7,78.99**	8,20.96	6,60.08
Fringe Benefit Tax	**—**	—	36.00
TOTAL	**66,64.92**	72,24.54	82,25.74

Value Added Statement

(₹ in lakhs)

PARTICULARS	2010-2011	2009-2010	2008-2009
Value of Production, Sales & Services	**3,02,86.32**	3,34,25.69	3,23,55.66
Less : Direct Materials consumed	**1,14,36.18**	1,12,61.86	1,03,69.73
Value Added	**1,88,50.14**	2,21,63.83	2,19,85.93
Other Misc. Income	**58,92.85**	34,62.44	44,01.94
Distributed as follows :			
Employees :			
Salaries, Wages and other benefits	**49,97.08**	45,97.46	57,24.09
Suppliers of Materials & Services:			
Stores & Spares	**16,08.09**	16,05.53	14,74.02
Power	**44,66.66**	40,36.53	38,42.61
Repairs & Maintenance	**7,51.80**	6,41.21	6,10.18
Other production expenses	**5,79.69**	5,21.04	4,68.51
Selling Expenses	**36,06.84**	29,42.59	24,92.29
Others	**15,62.30**	13,55.37	16,77.02
TOTAL	**1,25,75.38**	1,11,02.27	1,05,64.63
Suppliers of Capital:			
Interest on Govt. Loans	**29,13.80**	28,20.33	27,55.49
Interest on Other Loans	**7,69.61**	9,31.87	9,81.99
TOTAL	**36,83.41**	37,52.20	37,37.48
Retained in Business:			
Depreciation for Replacement of Assets	**7,74.32**	8,99.44	11,07.10
Profit/(Loss)	**27,12.80**	52,74.90	52,54.57
TOTAL	**34,87.12**	61,74.34	63,61.67
Average Number of Employees	**988**	1078	1159
Value Added per Employee (₹ in lakhs)	**19.07**	20.56	18.97

Ten Year Digest

(₹ in lakhs)

PARTICULARS	2010-2011	2009-2010	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-2002
PROFIT & LOSS ACCOUNT										
Sales & despatches and Accretion/ (Decretion) to stock	3,02,86.32	3,34,25.69	3,23,55.66	2,92,09.29	2,89,03.02	1,95,22.32	1,48,89.13	1,31,32.61	1,20,69.07	1,37,02.22
Other Income	58,92.85	34,62.44	44,01.94	23,24.56	1,49,06.34	9,47,24.17	9,45.63	46,54.69	22,97.90	20,41.58
Raw Materials consumed	39,68.58	36,29.70	34,11.95	28,83.12	29,11.06	36,16.17	20,57.60	15,09.75	14,22.12	14,54.87
Stores & packing material consumed	17,03.16	16,39.50	16,70.02	13,67.74	15,31.52	12,15.87	10,65.09	7,01.68	6,34.25	6,91.33
Employees Remuneration & Benefits	49,97.08	45,97.46	57,24.09	36,89.45	35,95.45	69,42.94	26,54.01	34,51.70	49,79.73	67,91.19
Interest	36,83.41	37,52.20	37,37.48	34,64.53	31,10.26	11,52.12	1,86,72.29	56,60.70	1,72,12.39	1,56,35.08
Depreciation	7,74.32	8,99.44	11,07.10	11,49.86	16,68.85	16,86.14	18,51.06	18,10.66	19,12.07	20,65.75
Other Manufacturing Expenses	1,83,39.82	1,70,94.93	1,58,52.39	1,48,90.07	1,43,31.61	1,64,49.12	1,14,29.18	1,27,47.80	97,42.05	1,06,39.02
Profit (+)/Loss (-)	27,12.80	52,74.90	52,54.57	40,89.08	1,66,60.61	8,31,84.13	(2,18,94.47)	(80,94.99)	(2,15,35.64)	(2,15,33.44)
BALANCE SHEET										
Equity	8,11,40.74	8,11,40.74	8,11,40.74	8,11,40.74	8,06,08.74	4,46,82.49	4,29,27.99	4,29,27.99	4,28,27.99	4,28,27.99
Reserves & Surplus	—	—	—	—	—	—	—	—	—	7.07
Loans	3,71,71.53	4,68,75.17	4,40,82.59	4,45,18.73	4,17,71.89	8,82,87.57	17,42,13,24	15,34,67.09	14,88,45.14	12,78,47.84
Net Fixed Assets	1,02,23.95	1,07,33.75	1,14,74.23	1,09,82.02	1,19,89.96	1,35,99.84	1,51,99.37	1,67,55.80	1,85,61.78	1,85,27.72
Current Assets	3,92,68.83	4,90,33.50	4,17,62.85	3,72,85.13	2,91,41.28	1,98,97.69	1,51,92.28	1,60,15.34	1,77,98,59	1,71,83.51
Current Liabilities & Provisions	3,31,36.51	3,60,58.56	3,74,04.48	3,81,15.54	3,73,04.75	3,55,12.62	3,49,45.51	3,76,82.96	3,76,05.39	3,58,06.00
Capital W.I.P.	20,50.94	15,77.20	13,29.11	22,24.51	13,74.71	10,80.89	11,04.88	10,78.27	10,51.48	26,88.79
Other Assets (Including DRE)	17,94.72	19,06.88	19,63.58	19,20.12	17,37.74	18,01.96	53,03.78	68,36.67	62,50.07	43,27.55
Other Intangible Assets	9,81,10.34	10,08,23.14	10,60,98.04	11,13,52.61	11,54,41.69	13,21,02.30	21,52,86.43	19,33,91.96	18,52,96.97	16,37,61.33
Capital Employed	1,63,56.27	2,75,32.75	1,94,99.11	1,31,78.63	1,59,42.61	95,14.50	12,59.08	9,42.22	43,94.15	56,93.88
No. of Employees (Nos.)	988	1078	1159	1460	1523	1570	1586	1607	2134	3013

Balance Sheet as at 31st March, 2011

(₹ *in thousands)*

PARTICULARS	Schedule No.	As At 31st March, 2011		As At 31st March, 2010	
I. SOURCES OF FUNDS					
(1) SHAREHOLDERS' FUNDS					
a) Share Capital	1	**8,11,40,74**		8,11,40,74	
b) Reserves & Surplus	2	**0**		0	
			8,11,40,74		8,11,40,74
(2) LOAN FUNDS					
a) Secured Loans	3	**0**		0	
b) Unsecured Loans	3	**3,71,71,53**		4,68,75,17	
			3,71,71,53		4,68,75,17
TOTAL			**11,83,12,27**		12,80,15,91
II. APPLICATION OF FUNDS					
(1) FIXED ASSETS					
a) Gross Block	4	**6,67,44,33**		6,65,75,11	
b) Less: Depreciation	4	**5,65,20,38**		5,58,41,36	
c) Net Block	4	**1,02,23,95**		1,07,33,75	
d) Capital Works-in-Progress	5	**20,50,94**		15,77,20	
			1,22,74,89		1,23,10,95
(2) INVESTMENTS	6		**2,27,98**		2,27,98
(3) CURRENT ASSETS, LOANS & ADVANCES					
a) Inventories	7	**1,30,02,68**		1,23,52,43	
b) Sundry Debtors	7	**17,76,83**		8,85,88	
c) Cash & Bank Balances	7	**2,03,15,14**		3,20,98,16	
d) Loans & Advances	8	**41,74,18**		36,97,03	
TOTAL (A)		**3,92,68,83**		4,90,33,50	
(4) Less: CURRENT LIABILITIES AND PROVISIONS					
a) Current Liabilities	9	**2,32,27,49**		2,58,15,55	
b) Provisions	10	**99,09,02**		1,02,43,01	
TOTAL (B)		**3,31,36,51**		3,60,58,56	
Net Current Assets (A)-(B)			**61,32,32**		1,29,74,94
(5) MISCELLANEOUS EXPENDITURE & LOSSES					
a) Miscellaneous Expenditure to the extent not written off or adjusted	11	**15,66,74**		16,78,90	
b) Profit & Loss Account (Loss)		**9,81,10,34**		10,08,23,14	
			9,96,77,08		10,25,02,04
NOTES TO THE ACCOUNTS	20				
SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE ACCOUNTS	21				
TOTAL			**11,83,12,27**		12,80,15,91

New Delhi
Dated : 21-06-2011

Sd/-	Sd/-	Sd/-
(AJAY KUMAR SHARMA)	(MANOJ MISRA)	(R.P. TAK)
Dy. Company Secretary	Director (HR)	Chairman & Managing Director

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants

Sd/-
(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

New Delhi
Dated : 21-06-2011

Profit & Loss Account for the Year ended 31st March 2011

(₹ *in thousands)*

PARTICULARS	Schedule No.	Current Year		Previous Year	
INCOME					
Sale of Cement (Including Self Consumption of ₹ 2.47 Lakhs) (Previous Year ₹ 3.75 Lakhs)		**3,32,88,02**		3,61,73,07	
Less: Excise Duty		**30,84,88**		31,64,59	
Net Sales			**3,02,03,14**		3,30,08,48
Other Income	12		**58,92,85**		34,62,44
Accretion/(Decretion) to Semi-Finished Goods And Finished Goods	13		**83,18**		4,17,21
TOTAL INCOME			**3,61,79,17**		3,68,88,13
EXPENDITURE					
Raw Materials consumed	14		**38,31,96**		36,40,48
Purchase of Clinker			**1,46,24**		0
Stores & packing materials consumed	15		**17,03,16**		16,39,50
Employees remuneration & benefits	16		**49,97,08**		45,97,46
Other Manf., Admin. & Selling Expenses	17		**1,83,44,07**		1,70,07,73
Interest	18		**36,83,41**		37,52,20
Depreciation			**7,64,81**		8,88,27
TOTAL EXPENDITURE			**3,34,70,73**		3,15,25,64
Profit for the year			**27,08,44**		53,62,49
Profit After Extra Ordinary items			**27,08,44**		53,62,49
Adjustments Relating to Past Years	19		**4,36**		(87,59)
Profit Before Tax			**27,12,80**		52,74,90
Profit After Tax			**27,12,80**		52,74,90
Balance Loss Brought Forward			**(10,08,23,14)**		(10,60,98,04)
NOTES TO ACCOUNTS	20				
BALANCE LOSS CARRIED OVER TO BALANCE SHEET			**(9,81,10,34)**		(10,08,23,14)

New Delhi
Dated : 21-06-2011

Sd/-	Sd/-	Sd/-
(AJAY KUMAR SHARMA)	(MANOJ MISRA)	(R.P. TAK)
Dy. Company Secretary	Director (HR)	Chairman & Managing Director

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants

Sd/-
(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

New Delhi
Dated : 21-06-2011

Statement of Revenue & Expenses of Continuing and Discontinuing Operation as on 31-3-2011

(₹ *in thousands)*

PARTICULARS	Continuing Operation		Discontinuing Operation		Total	
	2010-11	2009-10	**2010-11**	2009-10	**2010-11**	2009-10
A. Revenue :-						
Turnover (Net)	**3,02,03,14**	3,30,08,48	**0**	0	**3,02,03,14**	3,30,08,48
Accr/decre to Semi-Finished Goods and Finished Goods	**83,18**	4,17,21	0	0	**83,18**	4,17,21
Total Income	**3,02,86,32**	3,34,25,69	**0**	0	**3,02,86,32**	3,34,25,69
B. Expenses :-						
Operating Expenses	**2,78,91,20**	2,60,81,78	**18,91,76**	17,79,25	**2,97,82,96**	2,78,61,03
Impairment Loss	**0**	0	**0**	0	**0**	0
Total Expenses	**2,78,91,20**	2,60,81,78	**18,91,76**	17,79,25	**2,97,82,96**	2,78,61,03
C. Pre Tax Profit from Operating Activities	**23,95,12**	73,43,91	**(18,91,76)**	(17,79,25)	**5,03,36**	55,64,66
Interest Expenses	**2,96,52**	3,71,28	**33,86,89**	33,80,92	**36,83,41**	37,52,20
D. Profit/(Loss) Before Tax	**20,98,60**	69,72,63	**(52,78,65)**	(51,60,17)	**(31,80,05)**	18,12,46
E. Income Tax/Frienge Benefits Tax	**0**	0	**0**	0	**0**	0
F. Profit/ (Loss) from Operating Activities but After Tax	**20,98,60**	69,72,63	**(52,78,65)**	(51,60,17)	**(31,80,05)**	18,12,46
G. Other Income	**43,47,70**	33,16,22	**15,45,15**	1,46,22	**58,92,85**	34,62,44
H. Net. Profit/(Loss) From operating Activities	**64,46,30**	1,02,88,85	**(37,33,50)**	(50,13,95)	**27,12,80**	52,74,90

Schedules '1' To '21' Attached To And forming an Integral part of the Accounts

Schedule - 1 : Share Capital

(₹ in thousands)

PARTICULARS		As At 31st March 2011		As At 31st March 2010
Authorised				
5,00,00,00 Equity Shares (Previous Year 5,00,00,00) of ₹ 1000/- each	**5,00,00,00**		5,00,00,00	
4,00,00,00, 0.01% Non-cumulative Redeemable Pref. Share of ₹ 1000/- Each (Previous Year 4,00,00,00)	**4,00,00,00**	**9,00,00,00**	4,00,00,00	9,00,00,00
Issued, Subscribed & Paid Up				
4,14,22,49 Equity Shares of ₹ 1000/- Each Fully Paid Up (Previous Year 4,14,22,49 Shares)		**4,14,22,49**		4,14,22,49
3,55,43,25 0.01% Non-cumulative Redeemable Pref. Share of ₹ 1000/- each (Previous Year 3,55,43,25)		**3,55,43,25**		3,55,43,25
Share Capital Deposit - Pending Allotment		**41,75,00**		41,75,00
TOTAL		**8,11,40,74**		8,11,40,74

Schedule - 2 : Reserves and Surplus

(₹ in thousands)

PARTICULARS	As at 1.4.2010	Additions	Adjustments (+/-)	As at 31.3.2011
Reserves				
Other Capital Reserves	0.00	**0.00**	**0.00**	**0.00**
TOTAL	0.00	**0.00**	**0.00**	**0.00**

Schedule - 3 : Loans

(₹ *in Thousands)*

PARTICULARS		As At 31st March, 2011		As At 31st March, 2010
SECURED LOANS 'A'				
		0		0
TOTAL SECURED LOANS "A"		**0**		0
UNSECURED LOANS 'B'				
Loans from Government of India				
Plan Loan	**1,50,90,07**		1,50,90,07	
Non Plan Loan	*		1,28,62,00	
		1,50,90,07		2,79,52,07
Interest Accrued & Due on Govt. Loans		**1,22,18,31**		90,59,95
Inter Corporate Associates etc. Borrowings		**37,00,00**		37,00,00
Interest Accrued & Due on Inter Corporate Borrowings		**61,63,15**		61,63,15
TOTAL UNSECURED LOANS "B"		**3,71,71,53**		4,68,75,17
TOTAL OF LOANS (A+B)		**3,71,71,53**		4,68,75,17

* Repaid During the year

Schedule - 4 : Fixed Assets

(₹ in thousands)

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 1st April, 2010	Add-/ Adjustments	Deductions/ Sales	Tra in/ Tra out	As at 31st March, 2011	As at 1st April, 2010	For the Year	Tra in/ Tra out	Adj./ Disposal	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
Works												
Land Freehold	3,17,68	**2,35,38**	**0**	**0**	**5,53,06**	1,46,07	**0**	**0**	**0**	**1,46,07**	**4,06,99**	1,71,61
Land Leasehold	4,80,50	**0**	**0**	**0**	**4,80,50**	1,58,41	**0**	**0**	**0**	**1,58,41**	**3,22,09**	3,22,09
Roads & Culverts	6,53,65	**0**	**0**	**0**	**6,53,65**	3,00,33	**10,82**	**0**	**0**	**3,11,15**	**3,42,50**	3,53,32
Plant Buildings	88,83,62	**0**	**0**	**0**	**88,83,62**	69,41,37	**2,15,60**	**0**	**0**	**71,56,97**	**17,26,65**	19,42,25
Non-Plant Buildings	10,53,70	**0**	**0**	**0**	**10,53,70**	4,72,92	**17,34**	**2,92**	**0**	**4,93,18**	**5,60,52**	5,80,78
Water Supply, Drainage & Sewerage	10,15,44	**0**	**0**	**0**	**10,15,44**	9,53,43	**6,97**	**0**	**0**	**9,60,40**	**55,04**	62,01
Railway Siding	15,95,04	**0**	**0**	**0**	**15,95,04**	14,89,93	**18,44**	**0**	**0**	**15,08,37**	**86,67**	1,05,11
Electrical Installation	19,69,93	**0**	**0**	**0**	**19,69,93**	17,61,89	**16,84**	**0**	**0**	**17,78,73**	**1,91,20**	2,08,04
Plant & Machinery	4,24,01,99	**12,14**	**1,00,00**	**0**	**4,23,14,13**	3,69,33,53	**3,98,83**	**0**	**95,00**	**3,72,37,36**	**50,76,77**	54,68,46
Aerial Ropeway	7,06,04	**0**	**0**	**0**	**7,06,04**	6,71,48	**62**	**0**	**0**	**6,72,10**	**33,94**	34,56
Railway Rolling Stock	4,59,30	**0**	**0**	**0**	**4,59,30**	4,26,84	**10,49**	**0**	**0**	**4,37,33**	**21,97**	32,46
Quarry Equipments	28,94,46	**0**	**0**	**0**	**28,94,46**	27,43,28	**9,97**	**(292)**	**0**	**27,50,33**	**1,44,13**	1,51,18
Vehicles	4,24,99	**0**	**0**	**0**	**4,24,99**	3,38,90	**10,29**	**0**	**0**	**3,49,19**	**75,80**	86,09
Furniture Fixtures & Office Equipments	6,59,74	**13,82**	**50**	**(13)**	**6,72,93**	5,91,17	**12,64**	**(1)**	**30**	**6,03,50**	**69,43**	68,57
Misc. Equipments	8,06,71	**6,91**	**7**	**13**	**8,13,68**	6,75,22	**9,22**	**1**	**0**	**6,84,45**	**1,29,23**	1,31,49
P&M Costing Rs. 5000/-	46,21	**1,54**	**0**	**0**	**47,75**	46,21	**1,54**	**0**	**0**	**47,75**	**0**	0
TOTAL WORKS	6,43,69,00	**2,69,79**	**1,00,57**	**0**	**6,45,38,22**	5,46,50,98	**7,39,61**	**0**	**95,30**	**5,52,95,29**	**92,42,93**	97,18,02

Schedule - 4 : Fixed Assets (Contd...)

(₹ in thousands)

PARTICULARS	GROSS BLOCK As at 1st April, 2010	Add-/ Adjust ments	Deduct ions/ Sales	Tra in/ Tra out	As at 31st March, 2011	DEPRECIATION As at 1st April, 2010	For the Year	Tra in/ Tra out	Adj./ Disp- osal	As at 31st March, 2011	NET BLOCK As at 31st March, 2011	As at 31st March, 2010
TOWN SHIP												
Land Freehold	19,09	0	0	0	19,09	0	0	0	0	0	19,09	19,09
Land Leasehold	29,28	0	0	0	29,28	32	0	0	0	32	28,96	28,96
Roads & Culverts	39,00	0	0	0	39,00	17,90	87	0	0	18,77	20,23	21,10
Residential & Welfare Buildings	17,54,01	0	0	0	17,54,01	8,48,73	28,59	0	0	8,77,32	8,76,69	9,05,28
Water Supply, Drainage & Sewerage	1,57,99	0	0	0	1,57,99	1,51,62	29	0	0	1,51,91	6,08	6,37
Electrical Installation	41,33	0	0	0	41,33	39,92	6	0	0	39,98	1,35	1,41
Vehicles	1,23,51	0	0	0	1,23,51	93,83	4,42	0	0	98,25	25,26	29,68
Furniture Fixtures & Office Equipments	22,37	0	0	0	22,37	20,43	20	0	0	20,63	1,74	1,94
Misc. Equipments	19,53	0	0	0	19,53	17,63	28	0	0	17,91	1,62	1,90
Total Township	22,06,11	0	0	0	22,06,11	11,90,38	34,71	0	0	12,25,09	9,81,02	10,15,73
Total Works & Township	6,65,75,11	2,69,79	1,00,57	0	6,67,44,33	5,58,41,36	7,74,32	0	95,30	5,65,20,38	1,02,23,95	1,07,33,75
Previous Year	6,64,17,15	1,58,96	1,00	0	6,65,75,11	5,49,42,92	8,99,44	0	1,00	5,58,41,36	1,07,33,75	1,14,74,23

DEPRECIATION CHARGED TO :-

	Current Year	Previous Year
Profit & Loss Account	**7,64,81**	8,88,27
IEDC Account	**41**	39
Quarry (Schedule 14)	**9,62**	10,78
Depreciation Relating to Past Years- Expenses/(Income)(Schedule 19)	**(52)**	0
	7,74,32	8,99,44

DEPRECIATION RELATING TO :

Depreciation on following Electrical Installations, Non Plant & Residential Buildings have been charged at rates which are higher than prescribed in Schedule XIV of the Companies Act, 1956 on the basis of technical evaluation of estimated commercial life of the assets (total financial implication of Rs. 0.25 lacs previous year Rs. 0.26 lacs) 11 KV switch gears, cables, trenches, rail track, yard area, fencing & melting @ 3.84%, control room @ 2.4% ND/PT/LA/PI isolators with and without ES, AC/DC board @ 6.25%, LA @ 7.14%, Control & Relay Panel Feeder & Transformer @ 5.55%, Control Cables @ 9%, MPEB Quarters @ 2.43%.

Schedule - 5 : Capital Works in Progress

(₹ in Thousands)

PARTICULARS	Balance as at 1st April, 2010	Additions during the year	Adjustments	Capitalised during the year	Balance as at 31st March, 2011
Works-in-Progress					
Mechanical Consultancy	72,73	**27,32**	**0**	**0**	**1,00,05**
Civil Engineering Works	7,20,75	**4,72**	**0**	**2,60**	**7,22,87**
Plant & Machinery Incl. Awaiting Erection	5,65,33	**4,33,02**	**0**	**0**	**9,98,35**
Erection Expenses of Plant & Machinery	55	**0**	**0**	**0**	**55**
Incidental Expenditure Pending Allocation	90,56	**19,78**	**0**	**0**	**1,10,34**
Capital Stores	12,31	**0**	**0**	**0**	**12,31**
Others	1,14,97	**0**	**8,50**	**0**	**1,06,47**
TOTAL	15,77,20	**4,84,84**	**8,50**	**2,60**	**20,50,94**

Annexure of Schedule - 5 : Incidental Expenditure During Construction Period Account

(₹ in Thousands)

PARTICULARS	As At 31st March, 2011		As At 31st March, 2010	
Employees' Remuneration And Benefits				
Salaries, Wages & Allowances	**15,73**		22,49	
Benefits To Employees	**40**		7	
Leave Encashment	**0**		39	
El Liability	**0**		60	
Contribution To Provident Fund	**53**		84	
Contribution To Employees Pension Fund	**8**		18	
Provision for Gratuity	**0**		80	
Staff Welfare Expenses	**2**		3	
Total Remunerations		**16,76**		25,40
Power		**29**		1,24
Insurance		**17**		17
Travelling Expenses		**1,01**		1,08
Communication Expenses		**25**		35
Printing and Stationery		**11**		18
Legal Expenses		**8,16**		17
Misc. Expenses		**4,40**		6,67
Depreciation		**41**		39
Security Expenses		**4,28**		4,71
Net Expenditure During the Year		**35,84**		40,36
Bal. Trfd. to Nyo Expansion		**16,06**		17,28
Addition during the year		**19,78**		23,08
Summary of IEDC Account				
Opening Balance of IEDC		**90,56**		67,48
Addition during the year		**19,78**		23,08
Closing Balance of IEDC Tfd to Capital WIP		**1,10,34**		90,56

Schedule - 6 : Investments

(₹ *in thousands*)

PARTICULARS	**Market Value as at 31-03-2011**	**Book Value as at 31-03-2011**	Market Value As at 31-03-2010	Book Value as at 31-03-2010
Long Term Investments				
Quoted Shares (Fully Paid) At Cost				
(i) 31 Equity Shares of ₹ 10/-each of Andhra Cement Co Ltd. @14.15	@	@	@	@
(ii) 280 Equity Shares (Including 180 Bonus Shares) of ₹ 10/- each of ACC Ltd. Market Value @ ₹ 1074.55 Per share as per B.S.E converted from 28 Share of ₹ 100/- each.	**3,01**	**1**	2,66	1
Unquoted Shares (Fully Paid) At Cost				
(i) 1 Equity Share of ₹ 10/- each of Assam Bengal Cement Co Ltd.*	**-**	@	-	@
(ii) 79 Equity Shares of ₹ 10/- each of Jaipur Udyog Ltd.	**-**	**1**	-	1
(iii) 40 Equity Shares of ₹ 5/- each of Sone Valley Cement Co. Ltd	**-**	@	-	@
(iv) 5531520 Equity Shares of ₹10/- each of A P Gas Power Corporation	**3,21,60**	**-**	3,21,60	-
(Incl 2315520 Bonus Shares) (1610680 Shares sold including 134000 Bonus Shares) Balance Held 3920840 Shares of ₹ 10/- each (Including 2181520 Bonus Shares)	**93,64**	**-**	93,64	-
		2,27,96		2,27,96
TOTAL INVESTMENTS		**2,27,98**		2,27,98
Aggregate of Quoted Investments				
Cost	**-**	**2**	-	2
Market Value	**3,01**	**-**	2,66	-
Aggregate of Unquoted Investments				
Cost		**2,27,96**		2,27,96
TOTAL INVESTMENTS		**2,27,98**		2,27,98

@ Amount less than ₹ 1,000/-

*** Yet to be transferred in the name of the corporation**

47th Annual Report - 2010 -11

Schedule - 7 : Current Assets

(₹ in thousands)

PARTICULARS	As at 31st March 2011	As at 31st March 2010
Inventories		
(As Prepared, Valued and Certified By the Management)		
Stores & Spare Parts	**79,47,22**	74,21,12
Coal	**5,07,74**	5,60,30
Coal In Transit	**1,12,75**	2,55,07
Packing Materials	**92,07**	75,33
Stores & Spares In Transit/Inspection	**35,09**	67,62
Tools & Tackles	**1,87**	1,29
Raw Materials At Cost	**11,75,21**	9,39,72
Raw Materials In Transit	**15,57**	91
Semi-Finished Goods (At lower of cost or Net Realisable value)		
In Stock	**17,47,88**	21,36,17
Clinker Purchased	**91**	0
Finished Goods (At Lower of Cost or Net Realisable Value)		
In Transit	**6,12,06**	2,31,90
In Stock	**3,55,94**	3,08,35
Stores & Spares - Scrap	**4,08,25**	3,64,53
Total Inventories	**1,30,12,56**	1,23,62,31
Less : Provision for Unrealisable inventory	**9,88**	9,88
Net Inventory	**1,30,02,68**	1,23,52,43

Schedule - 7 : Current Assets (Contd...)

(₹ in thousands)

PARTICULARS	As at 31st March 2011	As at 31st March 2010
Sundry Debtors (Unsecured)		
Over Six Months - Considered Good	**7,45,32**	5,91,52
Over Six Months - Considered Doubtful	**10,97,14**	10,97,51
Other Debts - Considered Good	**10,31,51**	2,94,36
	28,73,97	19,83,39
Less : Provision for Doubtful Debts	**10,97,14**	10,97,51
TOTAL SUNDRY DEBTORS	**17,76,83**	8,85,88
Cash And Bank Balances		
Cash in Hand	**2,75**	3,83
Cheques and Drafts in Hand	**3,81,60**	3,22,95
Remittances in Transit	**90**	1,33,58
Current Account with Scheduled Banks	**12,35,59**	23,19,54
Short Term Deposits with Scheduled Banks*	**1,78,87,05**	2,83,28,52
Interest Accrued on Term Deposit	**8,07,25**	9,89,74
TOTAL CASH AND BANK BALANCES	**2,03,15,14**	3,20,98,16
TOTAL	**3,50,94,65**	4,53,36,47

* Includes STDRs of Face Value of ₹ 1047.73 Lakhs (Previous year ₹ 107.83 Lakhs) Pledged with Banks as Secuirty Againt B G & 100% Margin Money Against LC

Schedule - 8 : Loans and Advances

(₹ in thousands)

PARTICULARS	As at 31st March 2011	As at 31st March 2010
Loans		
Other Outside Parties	**20**	21
Employees	**86**	90
Interest Accrued on Above	**6,47**	8,23
Total Loans	**7,53**	9,34
Advances		
(Recoverable In Cash or in Kind or for Value to be received)		
Contractors & Suppliers	**5,66,25**	3,37,12
Other Suppliers	**11,29,25**	5,51,85
Employees	**26,71**	21,78
Claims Recoverable	**6,53,79**	6,49,73
Amount due from Cement Regulation Account	**28,18**	28,18
Excise Duty Relief Recoverable	**1,87,95**	1,87,95
Others	**20,71,31**	19,55,54
Total Advances	**46,63,44**	37,32,15
Deposits		
Deposits With Central Excise	**1,37,28**	1,16,79
Other Deposits	**10,68,08**	15,07,42
Interest Accrued on Above	**27,84**	61,32
Total Deposits	**12,33,20**	16,85,53
Total Loans & Advances/Deposits	**59,04,17**	54,27,02
Less: Provision for Doubtful Loans and Advances	**17,29,99**	17,29,99
Total	**41,74,18**	36,97,03
Particulars of Loans and Advances		
Secured	**27,57**	22,68
Unsecured Considered Good	**41,46,61**	36,74,35
Total	**41,74,18**	36,97,03

i) Dues From Directors ₹ Nil (Previous Year ₹ Nil) Maximum at any time during the Year ₹ Nil (Previous Year ₹ 0.19 Lakhs)

ii) Dues From Officers ₹ 0.42 Lakhs (Previous Year ₹ Nil) Maximum at any time during the Year ₹ 0.68 Lakhs (Previous Year ₹ Nil)

iii) Dues from Ex-Directors ₹ 0.14 Lakhs (Preveious year ₹ 0.20 Lakhs)

Schedule - 9 : Current Liabilities

(₹ in Thousands)

PARTICULARS	As at 31st March 2011	As at 31st March 2010
Sundry Creditors		
Other than MSMEs	**34,62,06**	33,40,34
MSMEs	**1,02,90**	1,29,77
Deposits received	**18,02,82**	18,07,02
Advances from Customers & others	**16,65,63**	20,45,11
Intt. Accd. but not due on Loans/Deposits	**3,00,00**	5,34,52
Liabilities - Other Expenses	**57,17,24**	60,65,52
Liabilities - Power Dues	**69,72,00**	83,49,81
Dues to Employees	**2,49,27**	2,81,29
Others - Sales Tax	**18,48,98**	19,91,06
Others - Royalty	**8,63,87**	10,09,02
Others	**2,42,72**	2,62,09
TOTAL	**2,32,27,49**	2,58,15,55

Schedule - 10 : Provisions

(₹ in thousands)

PARTICULARS	As at 31st March 2011	As at 31st March 2010
Provisions :		
For Gratuity	**29,47,53**	28,15,55
For Bonus	**2,00**	16,51
For Capital Works In Progress	**2,76**	2,76
Provision for EL Liability	**10,86,38**	10,08,51
For Others	**58,70,35**	63,99,68
TOTAL	**99,09,02**	1,02,43,01

Schedule-11 : Miscellaneous Expenditure to the extent not written off or adjusted

(₹ in thousands)

PARTICULARS	Balance As at Ist April, 2010	Additions during the year	Adjusted/ Capitalised	Balance As at 31st March, 2011
Quarry Development Expenditure	16,78,90	**1,62,89**	**2,75,05**	**15,66,74**
Shortages/Losses Pending Investigations	1,05,00	**0**	**0**	**1,05,00**
	17,83,90	**1,62,89**	**2,75,05**	**16,71,74**
Less : Provision For Shortages/ Losses	1,05,00	**0**	**0**	**1,05,00**
TOTAL	16,78,90	**1,62,89**	**2,75,05**	**15,66,74**

Schedule - 12 : Other Income

(₹ in Thousands)

PARTICULARS		Current Year		Previous Year
Scrap Sales		**28,87**		5,49
Interest on Loans & Advances Employees		**8**		20
Interest on Others (Gross: TDS ₹ 3.26 Lakhs prev. Yr ₹ NIL)		**18,37,74**		23,45,95
Other Mise. Income		**3,22,76**		3,23,04
Profit /(Loss) on sale of Fixed Assets		**0**		10
Excess Provision Written Back		**1,45,15**		1,21,44
Withdrawls on Account of SS Interest on Royalty, Sales Tax etc.	**13,85,61**		0	
Interest / Surcharge on Power Dues	**14,79,77**		0	
		28,65,38		0
Receipts From Township		**34,97**		34,36
Rental Income		**6,57,90**		6,31,86
TOTAL		**58,92,85**		34,62,44

Schedule -13 : Accretion/(Decretion) to Semi-Finished Goods and Finished Goods

(₹ in Thousands)

PARTICULARS	Current Year		Previous Year	
Semi-Finished Goods in Stock				
Closing Stock	**17,47,88**		21,36,17	
Opening Stock	**21,36,17**		18,39,46	
		(3,88,29)		2,96,71
Finished Goods In Stock				
Closing Stock	**3,55,94**		3,08,35	
Opening Stock	**3,08,35**		2,92,65	
		47,59		15,70
Finished Goods In Transit				
Closing Stock	**6,12,06**		2,31,90	
Opening Stock	**2,31,90**		2,15,60	
		3,80,16		16,30
Scrap Stock				
Closing Stock	**4,08,25**		3,64,53	
Opening Stock	**3,64,53**		2,76,03	
		43,72		88,50
TOTAL ACCRETION/(DECRETION)		**83,18**		4,17,21

Schedule - 14 : Raw Materials Consumed

(₹ in thousands)

PARTICULARS		Current Year		Previous Year
Opening Balance		**9,39,72**		11,55,35
Acquisiton during the year				
Limestone Raising, Quarrying & Transportation @(Refer Details below)		**23,92,76**		23,45,08
Other Raw Materials Purchased		**16,74,69**		10,79,77
Sub Total		**50,07,17**		45,80,20
Less: Closing Stock		**11,75,21**		9,39,72
Total Raw Materials Consumed		**38,31,96**		36,40,48
@ Limestone Raising, Quarrying & Transportation				
Limestone Raising & Payments to Contractors		**5,24,47**		5,65,70
Employees' Remuneration & Benefits				
Salaries, Wages & Bonus	**3,09,59**		3,20,11	
Gratuity Paid	**32,63**		27,00	
Benefits to Employees	**7,74**		12,59	
Contribution to Provident Fund	**12,23**		13,58	
Contribution to Pension Fund	**6,89**		8,20	
Leave Encashment	**7,16**		8,35	
Medical Expenses	**20,91**		17,10	
Provision for Gratuity	**13,63**		14,54	
Provision for Earned Leave	**14,29**		4,04	
		4,25,07		4,25,51
Stores Consumed				
Gross Amount	**2,39,21**		2,23,29	
Less: Included under Repairs	**1,44,61**		1,45,42	
		94,60		77,87
Power	**53,02**		47,64	
Fuel	**32,61**		38,34	
Rates & Taxes	**26,88**		21,45	
Insurance	**78**		75	
Royalty & Cess	**7,83,63**		8,17,88	
Quarry Development Expenditure Written Off	**2,75,05**		2,32,74	
Travelling Expenses	**2,60**		5,63	
Other Expenses	**1,66,21**		1,21,78	
Depreciation	**9,62**		10,78	
		13,50,40		12,96,99
Repairs - Machinery	**81,84**		96,01	
Buildings	**9,94**		11,27	
Others	**69,33**		47,77	
		1,61,11		1,55,05
Sub Total		**25,55,65**		25,21,12
Less : Quarry Development Expenditure		**1,62,89**		1,76,04
Total		**23,92,76**		23,45,08

Schedule - 15 : Stores And Packing Materials Consumed

(₹ in thousands)

PARTICULARS	Current Year		Previous Year	
Stores and Spare Parts				
Gross Amount	**16,08,09**		16,05,53	
Less: Included Under Repairs & Maintenance	**10,69,92**	**5,38,17**	10,52,85	5,52,68
Packing Materials		**11,64,99**		10,86,82
Total		**17,03,16**		16,39,50

Schedule - 16 : Employees' Remuneration & Benefits*

(₹ in thousands)

PARTICULARS	Current Year	Previous Year
Salaries, Wages & Bonus	**33,74,20**	34,78,98
Gratuity Paid	**3,67,05**	1,25,91
Benefits to Employees	**75,52**	96,99
Provision for Earned Leave	**90,43**	69,52
Contribution to Provident Fund	**2,73,32**	2,04,87
Contribution to Pension Fund	**66,41**	67,36
Medical Expenses	**2,14,06**	1,85,06
Leave Encashment	**1,97,32**	1,21,14
Provision for Gratuity	**1,61,59**	1,31,86
Staff Welfare Expenses	**1,77,18**	1,15,77
Total	**49,97,08**	45,97,46

*** Includes C & M D and Directors' Remuneration as under :-**

	Current Year	Previous Year
Salaries and Allowances	**45,82**	47,94
Rent recoveries ₹ NIL (Previous Year ₹0.05 Lakh)		
Contribution to Provident Fund	**1,23**	1,67
Contribution to Employee Pension Fund	**7**	11
Provision for Gratuity	**1,43**	2,00
Other Benefits	**17**	49
Earned Leave Liability	**12**	1,50

In addition, Chairman & Managing Director and Full Time Directors are also allowed use of Company's vehicle for non duty journey upto 1000 Kms per month on payment of ₹ 780/- per month.

Schedule - 17 : Other Manufacturing, Administrative & Selling Expenses

(₹ in thousands)

PARTICULARS	Current Year		Previous Year	
Power		44,66,66		36,98,23
Coal		60,63,76		64,79,10
Fuel Oil		3,85,09		4,04,54
Rent		30,38		27,46
Excise Duty Paid		1,52,35		92,12
Rates & Taxes		1,00,13		99,51
Insurance		26,07		40,06
Repairs & Maintenance				
Plant & Machinery	13,71,54		12,06,11	
Buildings	1,66,01		1,17,88	
Others	2,84,17		3,70,07	
Total Repairs & Maintenance		18,21,72		16,94,06
Other Production Expenses		5,79,69		5,21,04
Tools & Tackles Written off		1,31		78
Travelling Expenses		1,06,14		1,07,21
Selling Expenses				
Freight on Cement	30,43,23		26,37,93	
Handling Charges	3,48,12		1,33,90	
Secondary Transportation	3,07		3,55	
Octroi Paid	50,69		23,80	
Sales Promotion & Publicity	18,38		31,15	
Other Selling Expenses	1,43,35		1,12,26	
Total Selling Expenses		36,06,84		29,42,59
Running Expenses of Vehicles		38,10		36,32
Losses on Disposal of Fixed Assets		18		0
Auditors' Remuneration				
Audit Fee	3,89		3,39	
Reimbursement of Expenses	70		66	
In Other Capacity	67		65	
Total Auditors Remunerations		5,26		4,70
Cost Audit Fee	60		55	
Cost Audit Expenses	22		31	
Total Cost Audit Expenses		82		86
Subscriptions to CRI & Others		8,28		8,56
Communication Charges		32,60		32,08
Printing & Stationary		25,53		22,06
Hire Charges on Data Processing		3,35		2,06
Training of Workers & Supervisors		1,11		1,06
Legal and Professional Fees		1,40,38		73,15
Security Expenses		3,55,34		2,95,09
Miscellaneous Expenses *		3,76,92		4,07,81
Expenses on closed project		16,06		17,28
Total		1,83,44,07		1,70,07,73
* Includes Entertainment Expenses		60		38
Director's Sitting Fees		46		6

Schedule - 18 : Interest

(₹ in thousands)

PARTICULARS	Current Year	Previous Year
Interest on		
Government Loans	**29,13,80**	28,20,33
Deposits From Stockists	**13,17**	13,17
Others	**7,56,44**	9,18,70
Total	**36,83,41**	37,52,20

Schedule - 19 : Adjustments Relating To Past Years

(₹ in Thousands)

PARTICULARS	Current Year	Previous Year
Prior Period - Income		
Stores & Packing Materials	**4,74**	0
Interest	**0**	11,55
Depreciation	**52**	0
Repairs & Maintenance	**0**	10
Others	**1,05**	61,52
Total Prior Period - Income	**6,31**	73,17
Prior Period - Expenses		
Repairs & Maintencance	**0**	36
Raw Materials	**96**	11,47
Stores & Packing Materials	**0**	33,90
Employees's remuneration & Benefits	**86**	12,81
Earned Leave Encashment	**0**	2,09
Selling Expenses	**13**	3,54
Packing Expenses	**0**	97
Interest	**0**	64,42
Others	**0**	31,20
Total Prior Period - Expenses	**1,95**	1,60,76
Net Prior Period Income (Expenses)	**4,36**	(87,59)

Schedule - 20 : Notes on Accounts As at 31st March, 2011

PART— I

1. (a) CONTINGENT LIABILITIES - NOT PROVIDED FOR

i) There were outstanding claims/suits under arbitration, court of laws etc. amounting to ₹ 54593.15 lakhs (previous year ₹ 51371.90 lakhs) against the Corporation as debts for which no provision has been made in the Accounts, as the outcome will be known only after arbitration award/decree etc. This also includes a sum of ₹ 36448.94 lakhs (previous year ₹ 34114.32 lakhs) levied by CSEB/MPEB as Tariff Minimum Charges which is sub-judice. In addition, a number of cases are lying in courts for compensation/promotion/claims for services etc. for which the amounts are not ascertainable.

(b) No effect has been given in the Accounts for claims/counter claims lodged by the Corporation for ₹ 18955.17 lakhs (previous year ₹ 19120.26 lakhs) which are under arbitration/ pending in Courts etc. as the outcome will be known only when award / decree etc. are given.

2. i) No provision is made or considered necessary for Sales Tax liability on account of non-receipt of 'C', 'D' and F/B-II forms etc. upto the Balance Sheet date for ₹ 643.88 lakhs (previous year ₹ 431.75 lakhs) as the same are expected to be received before final assessment is completed and/or appeals are finalised.

ii) No provision has been made in respect of demands made by Sales Tax Authorities aggregating to ₹ 1823.02 lakhs (Previous year ₹ 1795.68 lakhs) as the demands are Sub-judice.

3. Estimated value of contracts on capital account remaining to be executed and not provided for(Net of advances) amounts to ₹ 20206.73 lakhs (Previous year ₹ 2389.44 lakhs).

4. Title deeds for land measuring 1.06 acres (Mandhar), 5 bighas (Bokajan), 3.13 bighas (Rajban), 0.146 hectares (Nayagaon), 495.75 acres (Akaltara), 10.12 acres (Bhatinda Grinding Unit) and lease deeds for 155.83 acres (Nayagaon), 58.81 acres (Adilabad) and 14.20 acres (Delhi Grinding Unit)are yet to be executed.

5. Mining leases in respect of Mandhar 1056.98 acres, Kurkunta 105.22 Hectares, Rajban 621.700 Hectares, Nayagaon 336.85 hectares, Akaltara 398.65 Hectares, Adilabad 839.393 hectares and Tandur 1516.07 acres, have expired. Pending renewal of these lease deeds,the limestone is being removed, wherever required for manufacture of clinker/cement on provisional basis.

6. No provision has been made in the accounts for the consideration, if any, payable for acquisition of Government lands outside the CCI, Adilabad Township and used as road from Pump house to National Highway No.7 admeasuring 32 guntas for which alienation orders are awaited from Revenue Department.

7. i) Liability for un-paid Excise Duty amounting to ₹ 24.34 lakhs (previous year ₹ 50.95 lakhs) has been provided for in respect of 13389.250 MT (previous year 17372.220 MT) of naked cement lying in silos as on 31st March, 2011. Liability for cess amounting to ₹ 0.08 lakhs (Previous year ₹ 0.10 lakhs) has also been provided for on cement stock of 13389.250 MT (Previous year 17372.220 MT) as on 31st March, 2011. However, the said treatment does not vitiate true and fair view of Profit & Loss Account of the Corporation.

ii) Specified industrial units existing before 7th January 2003 and undertaking substantial expansion of at least 25% by 31.03.2010 are exempted for payment of excise duty on finished goods. Accordingly excise duty on cement during the period 12.03.2010 to 31.03.2011 has not been paid. However, excise authorities intend to levy excise duty on 'clinker' which is being produced in course of cement production and is being captively consumed. Excise duty on such clinker is estimated to be ₹ 563.06 lakhs.

8. Amounts recoverable and debtors include amount aggregating to ₹ 174.27 lakhs (previous year ₹ 174.27 lakhs) due from various parties which are under dispute/court/arbitration. No provision is made or considered necessary in the Accounts in respect thereof since these matters are sub-judice.

9. The shares of various Companies (face value of ₹ 37.79 lakhs) held by late Shri R.K. Dalmia and kept as security with erstwhile Dalmia Dadri Cement Limited against loan of ₹ 214 lakhs taken by him, have been taken possession of in earlier years. Although these shares were valued at ₹ 2.80 lakhs (at realisable value) but were considered doubtful and accordingly, accounted for in an earlier year.

10. Pending execution of lease deed in favour of the Corporation in respect of Building at Scope Complex, New Delhi, the cost thereof of ₹ 266.58 lakhs excluding Electrical Installation of ₹ 5.70 lakhs is being amortised provisionally @ 1.63% per annum by way of depreciation.

11. Share Capital deposit includes ₹ 41.75 crores (Previous Year ₹ 41.75 crores) representing amount converted from loans into equity have been shown as Share Capital deposit for which approval of Ministry, in principle, has already been communicated for conversion of Government of India loans into Equity. However, allotment of shares will be done on receipt of confirmation of individual loans by the Ministry.

12. A reference was made to Board of Industrial & Financial Reconstruction under section 15(1) of Sick Industrial Co. (SP) Act,1985 vide letter No.SEC/84/96/513 dt.25.4.96. The Company was declared sick vide Hon'ble BIFR letter No.501/96-BENCH IV SOL dt.8.8.96. Hon'ble BIFR in its hearing held on 21.03.2006 has approved the Rehabilitation Seheme prepared by M/s. IFCI (OA) and approved by Govt. of India. The Sanctioned Scheme was circulated by Hon'ble BIFR on 03.05.2006 which inter alia envisaged settlement of secured and unsecured creditors and expansion/technological upgradation of 3 operating plants and closure/sale of remaining 7non-operating plants. As per the sanctioned seheme closure has been made at six units and employees have been separated under VSS except adilabad unit where matter is pending with Hon'ble High Cort of A.P. Further, the Sanctioned Scheme is under implementation

13 i) Relief's and concession in respect of creditors/ State Governments/ Other Govt. Departments and Agencies etc. will be considered appropriately as and when such payment are made and such concession/ relief's become certain without any contingency attached to it or approval for the same is received, as the case may be.

ii) The DRS prepared by M/s. IFCI, the operating agency was approved by Hon'ble BIFR in its hearing held on 21.03.2006 and the Sanctioned Scheme was circulated on 03.05.2006. As envisaged in the Sanctioned Scheme, and amount of ₹ 2865.38 laksh (Previous year ₹ Nil) being vaiver of interest penaly etc. on Royalty Sales Tax & Power dues of units have been written back and shown under the Income in Schedule-12

iii) Plan Loan from Govt. of India (interest free) amounting to ₹ 150.90 crores (Previous year ₹ 150.90 crores) which will be repaid from the sale proceeds of non operating units as per the sanctioned scheme dated 3rd May 2006 of Hon'ble BIFR.

14. Production at the following units has been discontinued from the dates mentioned against each unit:

(i) Mandhar (Chattisgarh)	06/06/1996
(ii) Charkhi Dadri (Haryana)	14/08/1996
(iii) Akaltara (Chattisgarh)	09/12/1996
(iv) Nayagaon (Madhya Pradesh) & Nayagaon Expn.	30/06/1997
(v) Kurkunta (Karnataka)	01/11/1998
(vi) Adilabad (Andhra Pradesh)	05/11/1998
(vii-A)Delhi Grinding Unit	08/02/1999
B)Bhatinda Grinding Unit	Not commissioned

The Draft Rehabilitation Scheme (DRS) prepared by IFCI (OA) has approved by Hon'ble BIFR in its hearing held on 21.03.2006 and sanctioned scheme circulated on 03.05.2006, envisaged settlement of secured and unsecured creditors and closure / sale of above 7 non-operating units. The market value of the assets in respect of the above 7 units is mentioned in the said scheme. Similarly, the market value of the Assets in respect of units Bokajan, Rajban & Tandur are expected to be much more than the Book Value of the Assets. Hence there is no indication of a potential impairment loss. Therefore no provision for impairment loss has been considered in the Accounts.

15. The special auditor appointed by SBI Caps, Merchant Bankers as per the terms of the MOU/Sale agreement in respect of Yerraguntla Unit had submitted their report which is under reconciliation with M/s. India Cement Ltd. The effect of certain inconsistancies in the final report will be given in the accounts on completion and confirmation of the same by M/s. India Cement Ltd. However, necessary liabilities, as found accruing on date of the sale, has already been considered in the accounts.

16. Deferred Tax Assets/Liabilities are not recognized in absence of virtual certainty of realization of the deferred tax assets within the allowable period under the Income Tax Act.

17. Depreciation on fixed assets is charged off as per rate provided in Schedule-XIV of the companies Act., 1956, except in the cases of certain electrical installation and non plant residential buildings where the same have been charged at rates which are higher than those prescribed in Schedule-XIV of the companies Act., 1956 (details enclosed in Schedule-4).

18. Keeping in view the nature of business & Georaphical status of the corporation, the segment reporting under As-17 is not applicable.

19. Balances shown under advances, debtors and creditors etc. are subject to confirmation/ reconciliation. These include certain old balances pending scrutiny and adjustment. Necessary effect would be given on completion of the same.

20. Details of provision as per Accounting Standard-29, refer Schedule-10

(₹ in Crores)

Units	Opening Balance		Adjustment/ Paid during the year		Addition during the year		Closing Balance	
Year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Gratuity	28.16	26.91	0.43	.000	1.75	1.25	29.48	28.16
Bonus	0.16	0.39	0.16	0.39	0.02	0.16	0.02	0.16
Capital Work in Progress	0.03	0.03	0.00	0.00	0.00	0.00	0.03	0.03
E.L. liability	10.09	9.75	0.26	0.39	1.03	0.73	10.86	10.09
Others	64.00	66.96	21.87	27.37	16.59	24.41	58.72	64.00

21. Details of interest due / paid to MICRO SMALL & MEDIUM ENTERPRISES (MSMEs)

(₹ in lakhs)

S.No	Description	Current Year	Previous Year
1.	The principal amount remaining unpaid to supplier as at the end of accounting year	102.90	129.77
2.	The interest due thereon remaining unpaid to supplier as the end of accounting year	242.58	226.02
3.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	0.00	0.00

5.	The amount of interest accrued during the year and reianing unpaid at the end of the accounting year.	16.56	19.80
6.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act	242.58	226.02

22. **Employee's Benefits as per Accounting Standard 15 (Revised-2005)**

The Corporation has adopted Accounting Standard 15 (Revised-2005) - Employees Benefits as per details given below :

i) **Provident Fund**

The Corporation pays fixed contribution of P.F. at pre-determined rates to a separate Trust which invests the funds in permitted securities. The Trust is required to pay a minimum rate of interest on contribution to the members of the Trust. Loss of the P.F. Trust, if any, is borne by the Corporation.

ii) **Gratuity**

The Corporation has a defined gratuity plan. Every employee is entitled to get gratuity as per provision of the Gratuity Act. The liability of gratuity is recognized on the basis of actuarial valuation.

iii) **Leave Encashment**

Leave encashment is payable to the eligible employees who have acumulated EL, HPL etc. the liability towards leave encashment is recognized on the basis of actuarial valuation.

iv) **Other Defined Retirement Benefit**

The Corporation has a Scheme for settlement at home town for employees and dependants at the time of Superannuation. This is recognized in the Profit & loss Account on the basis of actual claims as the same is considered insignificant.

The summarize position of various defined benefits recognized in the Profit and Loss Account and Balance Sheet are as under :-

(₹ in lakhs)

A. Expenses recognized in Profit & Loss Account.

		Gratuity		Leave encahsment		Other difined retirement benefits	
		31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011
a)	Current service cost	106.87	109.07	53.36	46.07	26.47	0.01
b)	Interest cost	170.22	216.18	76.85	79.50	—	2.12
c)	Net actuarial (gain)/ loss recognized in the period	(141.77)	(26.50)	(19.65)	56.30	26.47	(2.41)
d)	Expenses recognized in the statement of profit & losses	654.58	298.74	110.56	181.87	26.47	0.70

B. Amounts recognized in Balance Sheet

		Gratuity		Leave encahsment		Other difined retirement benefits	
		31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011
a)	Present value of obligation as at the end of the period	2702.19	2834.17	993.77	1071.64	26.47	26.22
b)	Funded status/ Difference	(2702.19)	(2834.17)	(993.77)	(1071.64)	—	—
c)	Net asset/(liability) recognized in balance sheet	(2702.19)	(2834.17)	(993.77)	(1071.64)	(26.47)	(26.22)

C. Change in present value obligation

		Gratuity		Leave encahsment		Other difined retirement benefits	
		31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011
a)	Present value of obligation as at the beginning of the period	2127.76	2702.20	960.65	993.77	—	26.47
b)	Interest cost	170.22	216.17	76.85	79.50	—	2.12
c)	Current service cost	106.87	109.06	53.36	46.07	26.47	0.99
d)	Benefits paid	(80.15)	(166.76)	(77.44)	(104.00)	—	(0.95)
e)	Actuarial (gain)/loss on obligation	(141.77)	(26.50)	(19.64)	56.30	26.47	(2.41)
f)	Present value of obligation as at the end of the period	2702.19	2834.17	993.77	1071.64	26.47	26.22

D. Amount for the curent period

		Gratuity		Leave encahsment		Other difined retirement benefits	
		31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011
a)	Present value of obligation as at the end of the period	2702.19	2834.17	993.77	1071.64	26.47	26.22
b)	Surplus/(Deficit)	(2702.19)	(2834.17)	(993.77)	(1071.64)	(26.47)	(26.22)

E. Acturaial Assumptions

S.No.	Description	As at 31.3.2011
i)	Retirement Age	58 years
ii)	Age	Withdrawal rate : % Upto 30 years - 0 From 31 to 44 - 1 Above 44 - 1
iii)	Discounting rate	8%
iv)	Future salary increase	6%
v)	Expected return on plan assets	0

23. Figures of previous year's have been split up and regrouped wherever necessary so as to correspond to current year's figures.

SCHEDULE 20 - NOTES FORMING PART OF PROFIT & LOSS ACCOUNT AS AT 31ST MARCH 2011

PART II

(₹ in thousands)

PARTICULARS	Current Year		Previous Year	
1. Class of goods manufactured	Cement		Cement	
2. Licensed capacity per annum at the year end :				
Units under production	3904000	M. Tonnes	3904000	M. Tonnes
Units under construction/expansion	500000	M. Tonnes	500000	M. Tonnes
3. Installed capacity per annum at the year end As certified by management	3898000	M. Tonnes	3898000	M. Tonnes
4. Actual Production				
4.1 Portland cement				
Ordinary	825290	M. Tonnes	858065	M. Tonnes
Pozzolana	75150	M. Tonnes	110160	M. Tonnes
TOTAL	900440	M. Tonnes	968225	M. Tonnes
4. 2 Clinker (A pre cement stage,material & not an additional product)	809835	M. Tonnes	959400	M. Tonnes
4.3 Clinker Purchased	9073	M. Tonnes	0	M. Tonnes
5. Cement Despatches	904348	M. Tonnes	966947	M. Tonnes
	Quantity M. Tonnes	Value ₹	Quantity M. Tonnes	Value ₹
6. Opening Stock				
Stock at Factory				
Cement OPC	15735	2,88,76	14147	2,71,25
Cement PPC	399	9,12	816	21,40
Stock at Dumps				
Cement OPC	365	10,47	0	0
Cement PPC	0	0	0	0
In Transit OPC	8811	2,29,82	9152	2,15,15
In Transit PPC	72	2,08	12	45
Set/ Damaged Cement				
Cement OPC	4293	0	4293	0
Cement PPC	3016	0	3016	0
TOTAL	32691	5,40,25	31436	5,08,25
Clinker	160443	19,10,08	129999	15,92,21
Clinker (Purchase)	0	0	0	0
TOTAL	160443	19,10,08	129999	15,92,21
7. Net Sales Incl. self consumption / transfer				
Cement OPC	818357	3,02,03,14	871456	3,30,08,48
Cement PPC	72722	0	95224	0
Self Comsumption OPC	30	0	50	0
Self Comsumption PPC	43	0	57	0
Export of cement	0	0	0	0
TOTAL	891152	3,02,03,14	966787	3,30,08,48
Clinker	0	0	0	0
TOTAL	0	0	0	0

8. a)	**Closing Stock - Cement**					
	Stock at Factory					
	Cement in Stock	OPC	**9513**	**2,08,40**	15735	2,88,76
		PPC	**2640**	**74,38**	399	9,12
	Stock at Dumps					
	Cement in Stock	OPC	**1467**	**52,49**	365	10,47
		PPC	**0**	**0**	0	0
	In Transit OPC		**19854**	**6,03,28**	8811	2,29,82
	In Transit PPC		**216**	**8,78**	72	2,08
	Set / Damaged cement OPC		**4997**	**20,67**	4293	0
	Set / Damaged cement PPC		**3016**	**0**	3016	0
	Total		**41703**	**9,68,00**	32691	5,40,25
b)	**Closing Stock-Clinker**					
	Clinker in Stock		**112830**	**15,03,69**	160443	19,10,08
	Clinker (Purchase)		**56**	**91**	0	0
c)	**Cement - Used for Testing**		**0**	**0**	0	0
	Stock transfer to unit OPC		**0**	**0**	0	0
	Shortages during transit OPC		**275**	**0**	182	0
	Shortages during transit PPC		**1**	**5**	1	2
	Total		**276**	**5**	183	2
9.	**Clinker - Used for cement grinding**		**866465**	**1,72,27,83**	928956	1,50,87,52
10.	**Raw Materials Consumed**					
	Limestone		**1178903**	**23,21,38**	1365933	23,91,77
	Laterite		**7360**	**15,99**	10468	19,72
	Iron ore		**22917**	**8,72,73**	24002	6,53,76
	Gypsum		**19904**	**4,14,57**	18818	3,24,92
	Fly Ash		**4428**	**55,13**	13808	1,02,08
	Burnt Clay		**17749**	**55,24**	17711	42,17
	Others		**58514**	**96,92**	89318	1,06,06
	Total Raw Material Consumed			**38,31,96**		36,40,48
11.	**Value of Imports calculated on CIF basis in respect of**					
	i) Raw Materials		**0**	**0**	0	0
	ii) Components & Spare parts		**0**	**40,16**	0	7,21,74
	iii) Capital Goods		**0**	**0**	0	0
12.	**Expenditure in foreign exchange on other matters**		**0**	**0**	0	0
13.	**Value of all imported Raw materials, Spare Parts & Components consumed during the Year and value of all indigenous Raw-materials spare parts and components similary consumed and the percentage of each to total consumtion.**					
	- Imported		**1**	**31,54**	1	36,63
	- Indigenous		**99**	**54,08,51**	99	52,09,38
	Total		**100**	**54,40,05**	100	52,46,01

New Delhi	Sd/-	Sd/-	Sd/-
Dated : 21-06-11	(AJAY KUMAR SHARMA)	(MANOJ MISRA)	(R.P. TAK)
	DY. COMPANY SECRETARY	Director (HR)	Chairman & Managing Director

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants
Sd/-

New Delhi
Dated : 21-06-2011

(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

SCHEDULE 20 - NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

(₹ in thousands)

PARTICULARS	Current Year	Previous Year
PART 2		
Balance Sheet Abstract and Company''s General Business Profile		
Balance Sheet Date	**31/03/2011**	31/03/2010
Registration Number	**4322 OF 1964-65**	4322 OF 1964-65
State Code	**55**	55
Capital Raised Duriing The Year :		
Public Issue	**0**	0
Right Issue	**0**	0
Bonus Issue	**0**	0
Private Placement	**0**	0
From Government of India	**0**	0
Position of Mobilisation and Deployment of Funds		
Total Liabilities	**15,14,48,78**	16,40,74,47
Total Assets	**15,14,48,78**	16,40,74,47
Sources of Funds		
Paid up Capital	**8,11,40,74**	8,11,40,74
Reserves & Surplus	**0**	0
Secured loans	**0**	0
Unsecured Loans	**3,71,71,53**	4,68,75,17
Total Sources of Funds	**11,83,12,27**	12,80,15,91
Application of Funds		
Net Fixed assets WIP & IEDC	**1,22,74,89**	1,23,10,95
Investments	**2,27,98**	2,27,98
Net Current Assets	**61,32,32**	1,29,74,94
Misc. Expenditure	**15,66,74**	16,78,90
Accumulated Losses	**9,81,10,34**	10,08,23,14
TOTAL APPLICATION OF FUNDS	**11,83,12,27**	12,80,1591
Performance of Company :		
Turnover Including other Income	**3,92,64,05**	4,00,52,72
Total Expenditure	**3,65,51,25**	3,47,77,82
Profit/(Loss) Before Tax	**27,12,80**	52,74,90
Profit/(Loss) After Tax	**27,12,80**	52,74,90
Earning Per Share	**—**	—
Dividend Rate	**NIL**	NIL
Generic Names of Three Principal Products/ Services of Company (As Per Monetary Terms)	**Cement**	Cement
Item Code No. (ITC)	**252310**	252310

New Delhi
Dated : 21-06-11

Sd/-	Sd/-	Sd/-
(AJAY KUMAR SHARMA)	(MANOJ MISRA)	(R.P. TAK)
DY. COMPANY SECRETARY	Director (HR)	Chairman & Managing Director

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants
Sd/-
(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

New Delhi
Dated : 21-06-2011

Schedule - 21 : Significant accounting policies forming part of the accounts as at 31st March 2011

1. Basis of Accounting

The accounts are prepared on historical cost convention adopting the accrual method of accounting except for the following items which are accounted for on cash basis.

i) Liquidated damages/penalties/claims made are accounted for on realisatin and included in miscellaneous Income.

ii) Profit / loss, if any, on surplus / slow moving / non-moving items etc. of stores and spares, is accounted for only in the year of their disposal.

2. Revenue Recognition.

Sales are stated exclusive of Excise Duty and Sales Tax.

3. Land & Amortization.

i) Land given free by the state Government is valued at nominal cost or on the basis of incidental expenditure incurred on its acquisition.

ii) Land free hold under mining lease at quarry and land lease hold with less than 99 years lease is amortized within a period of ten years from the date of commercial production of the respective unit.

4. Investments.

i) Long term investments are stated at cost. Permanent decline in the value of such investments is recognized and provided for.

ii) Current investments are stated at lower of cost and quoted / fair value. Unquoted current investments are stated at cost.

5. Borrowing Costs.

Borrowing Costs that are attributable to acquisition or construction or production of qualifying assets are capitalized as part of the costs of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use, All other borrowing costs are charged to revenue.

6. Inventories.

a) Valuation

i) Stores, spare parts and raw-materials except as indicated in (ii) below are stated at weighted average cost. The obsolete/unserviceable stores and spares when determined, are treated as scrap and valued at net realizable value.

ii) Clinker and other semi-finished goods are stated at lower of unit's weighted average cost or net realizable value on the basis of work back formula. However, in case of negative valuation, it is stated at Nil value.

iii) Finished goods at factories/projects/in dumps or in transit to dumps are stated at lower of units weighted average cost or realizable value. Freight included in selling expenses upto dump is included in value of finished goods lying at various dumps.

iv) The total quantity of various scrap items as at the close of each financial year is valued as per rates available as per latest sale orders for respective items. However, where no such rates are available because of scrap having been generated for the first time or not disposed off earlier,reserve price fixed for disposal of such scrap items is adopted for the purpose of valuation.

b) **Loose Tools & Tackles.**

Tools and tackles are written off over a period of three years.

7, Depreciation.

i) Depreciation on fixed assets is charged off on straight line method at the rates as prescribed in Schedule XIV of the Companies Act, 1956.

ii) Depreciation is provided on assets after they are completed and become available for use.

iii) Depreciation on assets added during the year is charged prorata from the month in which these are capitalized and upto the month in which these are discarded, as the case may be.

iv) Any individual asset whose written down value is ₹ 5000/- or less at the beginning of the year is fully depreciated during the year without retaining the residual value as it is considered insignificant.

v) Any individual asset costing upto ₹ 5000/- purchased during the year is taken to gross block and depreciated fully in the same year.

8. Deferred Revenue Expenditure.

i) Expenditure on Prospecting and Boring is treated as Deferred Revenue Expenditure and charged off in three to five years after Units go into commercial production.

ii) Expenditure incurred on removal of over-burden etc. at the mines which is utilized for capital works like laying of roads, stockyard, cursher ramp etc. is capitalized. The rest of the expenditure incurred on removal of over-burden etc. is treated initially as 'Deferred Revenue Expenditure' and is charged off over the period for which the limestone exposed out of quarry development is available for exploitation.

iii) The cost of internal partitions and other fixtures in rented buildings are directly charged off in the year of installation, but if the cost is more than rupees one lakh, the same is treated as Defered Revenue Expenditure and is charged off in three to five years.

iv) After start of commercial production of a Unit, initial full charge of high-chrome grinding media is treated as Deferred Revenue Expenditure and written off over a period of three years. However, make up charges are charged to Profit & Loss Account.

v) In case there is no un-utilsed grant/subsidy for Voluntary Retirement Scheme (VRS), then terminal benifits which are attributable to VRS payment equivalent to one and a half months wages for each completed year of service or wages for the balance period of service, whichever is less and notice period pay are deferred and charged off during the remaining period of service of the individuals or in a maximum period of 5 years, whichever is less. However, any expenditure incurred on VRS/VSS on or after 1/4/2003 will be recognized as an expense when it is incurred and charged off wholly in that year itself.

9. Prior Period/Extra ordinary Adjustments.

Expenditure / Receipts relating to the particular year, coming to notice after closure of the Accounts i.e. after the cut off date are booked under the relevant head of expenditure / receipt of the next year, if the amount involved is not more than ₹ 10,000/- . In case, the amount is more than ₹ 10,000/- the provisions contained in the Accounting Standard-5 of the Institue of Charted Accountants of India are applied for determination of its accountal under natural head of acounts of current year / Prior Period / extra ordinary Expenditure / Receipts.

10. Accountal of Foreign Exchange Transaction.

Foreign loan liabilities are translated at the closing market exchange rates. Gains or losses on settlement of transactions (a) during project period are credited/ debited to the relevant cost of equipment those relating to spares and service are credited / debited to IEDC (b) after project has gone into commercial production, the gains / losses are credited / debited to the relevant cost of equipment but those relating to spares and services are charged off to Profit & Loss Account. Depreciation on such adjustment to fixed assests is adjusted prospectively.

11. Government Grants / Subsidies.

i) Government Grants / Subsidies related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book value. Where the grants related to a specific fixed assets equals the whole or virtually the whole of the cost of the asset, the asset is valued at nominal value or on the basis of incidental expenditure incurred on its acquisition/ installation.

ii) Grants for Voluntary Retirement Scheme, Transport Subsidy and other Revenue Grants are deducted from the related expenditure.

iii) Government Grants received under Central Investment Subsidy Scheme included in Central Government Incentive for Industries in backward areas and other similar grants received from the State Governments, where no repayment is ordinarily expected in respect thereof, the grants are treated as Capital Reserve.

iv) Capital/ Revenue Grants/ Subsidies, other than those specified above, are accounted for as per Accounting Standard-12 issued by the Institute of Charted Accountants of India.

12. Claims of the Corporation.

i) Insurance claims are brought to account on the basis of Surveyor's Report and / or on the basis of claims lodged where on account payments have been received. In case, however, where surveyor's Report for events of loss occurred upto 31st March is not received before closing of the Accounts, the disclosure to that effect is made in the from of Notes to the accounts.

ii) Railway claims are brought to account on lodging of the claims.

13. Deposit Works.

In respect of Deposit Works in progress, the same are treated as Corporation's Capital-work-in-Progress and Incidental Expenditure during Construction Period is proportionately added to the Deposit Work when the ownership is transferred and capitalized.

14. Staff Benefits.

i) Provision for gratuity under the Payment of Gratuity Act, 1972 and Company's own Gratuity Scheme is made in respect of all employees in service as on 1st January of each year in accordance with the acturial valuation.

ii) Provision for earned leave / half pay leave etc. which is encashable on retirement or death of an employee is made in respect of employees in service as on 1st January of each year in accordance with the acturial valuation.

iii) Liability for bonus is provided as per the provisions of payment of Bonus Act, 1965 on Unitwise basis and not Corporation as a whole. The liability for bonus for the Corporate Office is provided at a rate which is average of the rates at which the bonus is provided for the other Units.

15. Premium on Redemption of Debentures.

Premium payable on redemption of debentures is charged to Profit & Loss Account/IEDC Account in such equal instalments as the duration of debentures commencing from the year in which debentures are allotted.

16. Pre-paid Expenses.

Expenditure of ₹ 10,000/- or less in each case incurred in advance of the following year(s) are charged off as expenses of the current year.

17. Accounting for Bad & Doubtful Debts/ Loans / Advances etc.

i) Provision is made for doubtful debts/loans and advances when the same is considered doubtful of recovery but chances of recovery subsist.

ii) Amounts are written off, when the efforts for recoveries have failed either due to legal process or where it is considered litigation will not be fruitful and recovery is not possible.

18. Inter unit / Zones / Corporate Office transfers.

i) Finished goods transferred by the Unit are initially valued at Despatch Plan rates and the quantity sold is then settled by the Zones at the actual net realizable value.

ii) Inter Unit/Zones / Corporate Office transfers of Fixed assets etc. are accounted for at book value.

iii) Inter Unit Transfer of clinker is accounted for at its realizable rates (by work back method from cement) and its losses in transit are absorbed in cost by the receiving Unit.

iv) Inter Unit/ Zones / Corporate Office balances are reconciled regularly and balance confirmations obtained.

19. Classification of Expenditure.

i) Expenditure incurred on Repairs & Maintenance of fixed assets, including cost of stores & spares except as shown as in (ii) below, are charged to Profit & Loss Account.

ii) Expenditure incurred on repairs and maintenance of fixed assets including cost of stores & spares that increase the future benefits from the existing assets beyond its previously assessed standard of performance is capitalized e.g. an increase in capacity.

iii) Salaries and Wages

Salaries and wages incurred on Repairs and Maintenance of Plant & Machinery, Building etc. are charged directly to Salaries and Wages account.

iv) Other Sundry Expenses

Expenditure on parks, plantation of trees and purchase of tents and tarpaulins etc. are charged off as revenue expenditure.

20. Indirect Expenses on Expansion Projects/ New Projects Adjacent to the Existing Plant.

The Common expenses on administration, supervision etc. incurred by the existing plants are not charged to the Expansion Project/ New Projects adjacent to the existing plants.

21. Alocation of Corporate Office Expenditure.

Net Revenue Expenditure/Income of the Corporate Office is allocated to all the units and projects under construction on estimates based on the probable benefits or relatable to the different Units or projects as decided by the management to their best assessment and judgement.

New Delhi Dated : 21-06-11	Sd/- (AJAY KUMAR SHARMA) DY. COMPANY SECRETARY	Sd/- (MANOJ MISRA) Director (HR)	Sd/- (R.P. TAK) Chairman & Managing Director

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants

Sd/-
(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

New Delhi
Dated : 21-06-2011

Schedule - 22 : Cash Flow Statement for the Year ended 31st March 2011

(₹ in Thousands)

PARTICULARS	Continuing Operation 2010-11	Continuing Operation 2009-10	Discontinuing Operation 2010-11	Discontinuing Operation 2009-10	Total 2010-11	Total 2009-10
I. CASH FROM OPERATING ACTIVITIES						
Net Profit/Loss (-) after taxation	64,46,29	1,02,88,85	(37,33,49)	(50,13,95)	27,12,80	52,74,90
Add:-Adjustment for						
Depreciation (net)	4,39,80	4,41,51	3,34,52	4,57,93	7,74,32	8,99,44
Loss on disposal of Fixed Assets	18	0	0	0	18	0
Interest	2,96,52	3,71,28	33,86,89	33,80,92	36,83,41	37,52,20
Provision for doubtful Loans, Adv, & Debtors	0	0	0	0	0	0
DRE Adjusted	2,75,05	2,32,74	0	0	2,75,05	2,32,74
Less:-						
Interest income and Misc recd.	(27,67,41)	(32,28,76)	(1,14,91)	(1,12,24)	(28,82,32)	(33,41,00)
Other - Excess Provision Written Back	(15,80,29)	(87,46)	(14,30,24)	(33,98)	(30,10,53)	(1,21,44)
Operating Profit Before Working Capital Change:-	31,10,14	80,18,16	(15,57,23)	(13,21,32)	15,52,91	66,96,84
Adjustment For:-						
Inventories	(6,44,29)	(10,17,85)	(96)	6,61	(6,45,25)	(10,11,24)
Sundry Debtors	(8,90,95)	2,95,21	0	0	(8,90,95)	2,95,21
Loans & Advances	(5,04,26)	(5,24,15)	2,54	3,54,25	(5,01,72)	(1,69,90)
Current Liabilities & Provision	2,28,23	1,78,75	(6,25,55)	(12,57,45)	(3,97,32)	(10,78,70)
DRE (Addition)	(1,62,89)	(1,76,04)	0	0	(1,62,89)	(1,76,04)
Net Cash From Operating Activities	11,35,98	67,74,08	(21,81,20)	(22,17,91)	(10,45,22)	45,56,17
II. Cash Flow From Investing Activities						
Purchase of Fixed Assets	34,82	1,58,96	2,34,97	0	2,69,79	1,58,96
Loss on disposal of Fixed Asets	18	(10)	0	0	18	(10)
Work in Progress	4,73,52	2,48,09	0	0	4,73,52	2,48,09
Net cash After Investing Activities	6,27,46	63,67,13	(24,16,17)	(22,17,91)	(17,88,71)	41,49,22
III. Cash from Financing Activities						
Share Capital	0	0	0	0	0	0
Funds transferred to non-operating	(51,96,41)	(47,00,82)	51,96,41	47,00,82	0	0
Loan Repayment to Govt of India	(99,48,20)	0	(29,13,80)	0	(1,28,62,00)	0
Secured & Unsecured Loans	0	28,20,33	0	(28,20,33)	0	0
Interest and other Receipts	27,91,59	31,61,12	1,15,34	1,13,09	29,06,93	32,74,21
Interest Paid	(39,05)	(11,05,40)	(19)	0	(39,24)	(11,05,40)
Net Cash from Financing Activities						
Net Increase(+)/ Decrease(-) in Cash & cash Equivalents	(1,17,64,61)	65,42,36	(18,41)	(2,24,33)	(1,17,83,02)	63,18,03
Cash And cash Equivalents (opening)	3,20,12,32	2,54,69,96	85,84	3,10,17	3,20,98,16	2,57,80,13
Cash And cash Equivalents (Closing)	2,02,47,71	3,20,12,32	67,43	85,84	2,03,15,14*	3,20,98,16*

Note:-* IncludsSTD Rs of face value of ₹ 1047.73 lakhs, (Previous year ₹ 107.83 lakhs) pledged with banks as Security against BG & 100% margin money against LC

2. Additionl working capital, as when needed, is proposed to be met out of own cash resources.

	Sd/-	Sd/-	Sd/-
New Delhi	(AJAY KUMAR SHARMA)	(MANOJ MISRA)	(R.P. TAK)
Dated : 21-06-11	Dy. Company Secretary	Director (HR)	Chairman & Managing Director

AUDITORS' CERTIFICATE

We have verified the above CASH FLOW STATEMENT of CEMENT CORPORATION OF INDIA LIMITED derived from the audited annual financial statements for the year ended March'31,2011 and found the same to be drawn in accordance therewith.

As per our report of even date attached
For D C GARG & Co.
Chartered Accountants
Sd/-
(SANDEEP GARG)
Partner
Membership No. 075312
Firm Reg. No. 500035N

New Delhi
Dated : 21-06-2011

Schedule - 23 : Details of Investment & Expenditure on Social Overheads

(₹ in thousands)

PARTICULARS	Current Year	Previous Year
Capital Investment		
Township	**20,40,70**	20,40,70
Vehicles, Furniture & Misc. Equipment	**1,65,41**	1,65,41
TOTAL-CAPITAL INVESTMENT	**22,06,11**	22,06,11
Expenditure on social overheads		
Upkeep & Maintenance of Township	**47,04**	33,19
Depreciation	**34,71**	35,07
Subsidised Canteen	**32,05**	29,67
Subsidised Education	**75,10**	38,13
Subsidised Social & Clutural Activities	**50,94**	21,74
Other Expenses	**2,84**	12,33
TOTAL	**2,42,68**	1,70,13
Deduction : Receipts from Township	**34,97**	34,36
Total Net Expenditure on Social Overhead	**2,07,71**	1,35,77

AUDITOR'S REPORT

TO THE MEMBERS OF CEMENT CORPORATION OF INDIA LTD. NEW DELHI

1. We have audited the attached Balance Sheet of M/s Cement Corporation of India Limited , New Delhi as at 31 March, 2011 and also the Profit & Loss Account and the Cash flow Statement for the year ended on that date annexed thereto, in which thereto are incorporated eleven units (Mandhar, Tandur, Charkhi Dadri, Akaltara, Nayagaon, Nayaganon Expansion and Delhi Grinding Unit, Kurkunta, Adilabad, Bokajan, and Silchar Grinding Unit) audited by the branch auditors appointed by the Comptroller and Auditor General of India and Rajban, Himachal Pradesh, Bhatinda Grinding unit & Corporate office audited by us.

2. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

4. As required by the Companies (Auditor's Report) Order,2003, as amended thereto issued by the Central Government of India in terms of Sec 227 (4A) of The Companies Act 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.

5. We further report that :

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.

(b) In our opinion, proper Books of Accounts, as required by law, have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

(d) In our opinion, the Balance Sheet, Profit & Loss Accounts and Cash Flow Statement dealt with by this report comply in all material respect with the Accounting Standards referred to in Sub-Section (3C) of Section-211 of the Companies Act. 1956.

(e) The Accounts of the company have been prepared on Going Concern basis despite:

(i) It being declared a sick company within the meaning of clause (O) of section 31 of Sick Industrial Companies (Special Provision) Act, 1985.

(ii) Corporation has accumulated losses far in excess of paid up Capital & Reserves.

(iii) Under BIFR sanctioned Scheme pursuant to BIFR order dated 3rd May 2006, sale of its Seven factories (As also two units under Nayagaon expansion).

The Company's ability to remain going concerned is largely contingent on the successful implementation of revival Scheme as envisaged in the BIFR package (also refer Note No.12).The Financial Statement do not include any adjustment relating to recoverability and classification of recorded assets and liabilities that may be necessary if the company is unable to continue as going concern.

f) The Company has seven factories and a grinding unit at Delhi, where operations were discontinued between the year 1996 to 1999 and a Grinding unit at Bhatinda did not commence production, in respect of which attention is drawn to note no. 14 in view of management, no provision for impairment of assets under Accounting Standard 28 issued by the Institute of Chartered Accountants of India, is required. Similarly, in the case of current assets, loans & advances and other assets as such factories/ units, no provision is considered necessary, for decrease, if any, in realizable value.

6. Attention is invited to the following :

(a) No provisions is considered by the corporation in respect of outstanding claims/suits/claims under arbitration in the court of law etc. against the company not acknowledged as debts amounting to ₹ 54593.15 Lacs [refer note No. 1(a)(i)]

(b) Execution of title and lease deeds in favour of the corporation in certain cases continues to be pending since long. [Refer note No. 4 &10]

(c) Non-determination and non-provision of the liability arising out of alienation orders still awaited from Revenue Department in respect of Government land outside CCI Adilabad Township and used as road from pump house to National Highway [Refer note no.6]

(d) Non-provision of ₹174.27 Lacs due from various parties which are under dispute/ court/arbitration. [Refer note No.8]

(e) Consequent to conversion of loan to share application money, ₹ 41.75 Crores continue being reported as Share Capital Deposit allotment of shares is pending for want of clarification on appropriation against specific loans. [Refer note No. 11].

(f) Effect of inconsistencies pointed out in the special audit report in relation to Yerraguntla unit sold in 1998 not considered. [Refer Note No. 15]

(g) Interest on loans and deposits taken by the Corporation has not been provided for after the cut off date of 31st March 2005, in terms of BIFR package.

(h) In respect of few units not in operation, no provision is considered for interest on outstanding statutory dues.

(i) The balance of the sundry Debtors, Loans & advances, sundry creditors, deposits & other Liabilities, have not been confirmed from the parties, therefore are subject to Confirmations / reconciliation/ adjustments, if any.[Refer to Note No.19]

(j) Mining lease in respect of few units has expired since long. Therefore impact, if any, on renewal of lease is not ascertainable at this end which can be done on the execution of the same. [Refer to Note No.5]

(k) The Accounts of the Provident Fund Trust for the year is pending for audit.

(l) No Provision has been made for non receipt of sales tax forms of the value of ₹ 643.88 Lacs.[refer note No.2(i)]

(m) No provision is considered necessary by the Corporation in respect of demand raised by sales tax authorities aggregating to ₹1823.02 Lacs. [Refer note no.2(ii)]

7. We further report that the financial impact of our observations mentioned in para 5 and 6 above is either not ascertained or is not ascertainable.

8. Subject to our observations in Para 5 & 6 above and consequential effect thereof, in our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with Accounting Policy and notes contained in Schedule 20 & 21, give the information required by the Companies Act, 1956 in the manner so required and give a true & fair view:

(a) Insofar as it relates to the Balance Sheet, of the state of affairs of the Corporation as at 31st March 2011;

(b) Insofar as it relates to the Profit & Loss Account, of the Profit for the period ended on that date

(c) Insofar as it relates to the Cash Flow statement of the Corporation for the period ended on that date.

For D.C.GARG & CO.
Chartered Accountants
(Sandeep Garg)
Partner
M. No. 075312
FRN : 500035N

Dated : 21.6.11
Place : New Delhi

ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in paragraph 4 of the Auditor's Report to the members of **Cement Corporation of India Ltd.** on the Accounts for the Year ended on 31St March 2011:

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that :

1 (a) The corporation has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.

(b) The Moveable fixed assets at some of the units have not been verified by the management, at some units these were verified in phased manner, and in other units, these were verified once during the year. Further in cases where such verification is carried out, no material discrepancies were noticed.

(c) The assets disposed during the year are not significant and therefore do not affect the on going concern assumptions.

2 (a) As explained to us, the inventory of the raw materials, finished goods and A & B category of stores & spares at factory was physically verified and as regards the inventory of C category of stores and spares, the management has a system of physical verification such that all items thereof are physically verified at least once in block of three years. Accordingly a part of such inventory was physically verified during the year in most of the units. In our opinion, the frequency of verification needs to be increased in view of size and nature of inventory. The inventories have been physically verified by the management during the year at reasonable intervals.

(b) The procedures of physical verification of inventories, except stores & Spares followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. In case of stores & spares, at some of the units, such procedure were found not reasonable in relation to the size and nature thereof.

(c) The Corporation has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.

3. (a) The Corporation has not granted any secured & unsecured loan to the other companies covered in the register maintained under section 301 of the Companies Act, 1956.

(b) Sub clause (b) is not applicable to the Corporation.

(c) Sub clause (c) is not applicable to the Corporation.

(d) Sub clause (d) is not applicable to the Corporation.

(e) The Corporation has not taken any loan, secured or unsecured from companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956.

(f) Sub clause (f) is not applicable to the Corporation.

(g) Sub clause (g) is not applicable to the Corporation.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the corporation and the nature of its business with regard to purchases of inventories, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been observed in the internal control system.

5 According to the information and explanations given to us, we are of the opinion that the Corporation has not entered in to any transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

6 According to the information and explanations given to us we are of the opinion that the Corporation has not accepted any deposits from the public within the meaning of the sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules,1975.

7. In our opinion and according to the information and explanations given to us, the Corporation, has

internal audit system commensurate with the size and nature of its business.

8. The Corporation has maintained the cost records and accounts at all three operating units as prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company.

9. (a) According to the records of the corporation, the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess have regularly been deposited with the appropriate authorities. In the following undisputed cases the payment is in arrears as at Balance Sheet date for a period of more than six months from the date they become payable:

Nature of Statute	Nature of dues	Amount (₹ in lacs)
Local Sales Tax	Sales Tax	1717.62
Corporation Tax	NALA Tax	51.13
Corporation Tax	Property Tax	851.17
Excise & Custom	Service Tax	2.29
Coporation Tax	Royalty	635.75
Corporation Tax	Entry Tax	12.45
State Government	Mining Cess	162.80
Income Tax	Intt. on Late Payment of Income Tax	0.23
Central Sales Tax	CST	9.4
Local Sales Tax	Surcharge / Additional Tax	0.16
Government Dues	Other Statutory Liab.	643.03

(b) According to the records, there are no dues of Income Tax, Sales Tax, Wealth tax, Service Tax, Custom Duty, Excise Duty, Cess which have not deposited on account of any dispute, except the following:

Particulars	Nature of dues	Where Pending	Amount (₹)
Sales Tax	Sales tax	APST Tribunal/ Financial Commissioner/ Appropriate Authority	1875.82 lacs

10. The accumulated losses of the company are more than 50% of its net worth however the corporation has not incurred cash losses during the financial year covered by our audit. Corporation has also not incurred cash loss during the immediately preceding financial year.

11. The corporation has defaulted in repayment of dues including interest. Details are given as under:

Particulars	Amount (₹ in Lacs)	Period of default
Inter Corporate Borrowings	3700.00	More than 9 Years
Interest accrued on above	6163.15	More than 9 Years

12. In our opinion and according to the explanations given to us the corporation has not granted any loan and advances on the basis of security by way of pledge of shares, debentures or other securities.

13. The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund/Societies are not applicable to the corporation.

14. In our opinion and according to the information & explanations given to us, the corporation is not a dealer or trader in shares, securities, debentures and other investments.

15. In our opinion and according to the explanations given to us, the corporation has not given any guarantee for loans taken by others from bank/financial Institutions.

16. As per the explanation and the records of the corporation, it has not raised any term loans.

17. According to the explanations given to us and on an overall examination the Balance Sheet of the company, we report that the no funds have raised on short term basis which have been used for long term investment.

18. According to the explanations given to us the corporation has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

19. According to the explanations given to us the corporation has not issued debentures during the year under audit.

20. According to the explanations given to us the corporation has not raised any money by way of public issued during the year.

21. According to the explanations given to us no fraud has been noticed or reported during the year under audit.

For D.C.GARG & CO.
Chartered Accountants
(Sandeep Garg)
Partner
M. No. 075312
FRN : 500035N

Dated : 21.6.11
Place : New Delhi

ADDENDUM TO DIRECTORS' REPORT PURSUANT TO SECTION 217(3) OF THE COMPANIES ACT, 1956.

Management's replies to the observations stipulated in the Auditors Report dated 21.06.2011 are given here under:-

Para No. 5 (f)

Provisions already made for loans and advances, current assets of the non-operating units are considered to be adequate.

Para No. 6 (a to m)

The position has been adquately explained in the relevant notes in schedule-20 Notes forming Part of the Accounts.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT 1956 ON THE ACCOUNTS OF CEMENT CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2011

I have to state that the Comptroller and Auditor General of India has **no comments** upon or supplement to the Auditor's Report under Section 619(4) of the Companies Act, 1956 on the Accounts of **Cement Corporation of India Limited** for the year ended 31st March, 2011. These comments may be printed in the Annual Report of the Company.

Sd/-
(Naina A. Kumar)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board –II
New Delhi.

Place : New Delhi.
Date : 03.08.2011

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT 1956 ON THE ACCOUNTS OF CEMENT CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2011

The preparation of financial statements of Cement Corporation of India Limited for the year ended 31st March 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 21st June 2011.

I on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Cement Corporation of India Limited for the year ended 31st March 2011. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquireis of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller and Auditor General of India

Sd/-
(Naina A. Kumar)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board –II
New Delhi.

Place : New Delhi.
Date : 03.08.2011

WORKING RESULTS - UNITWISE

(₹ in Crores)

UNITS	PROFIT(+) LOSS (-) AS PER ACCOUNTS	PRIOR PERIOD ADJUSTMENTS & EXTRA ORDINARY ITEMS	PROFIT (+) /LOSS(-)
BOKAJAN			
2010-2011	**4.92**	**0.00**	**4.92**
2009-2010	12.12	(-) 0.01	12.11
2008-2009	4.82	(-) 0.10	4.72
RAJBAN			
2010-2011	**1.80**	**0.00**	**1.80**
2009-2010	12.83	(-) 0.28	12.55
2008-2009	3.97	(-) 0.42	3.55
TANDUR			
2010-2011	**57.74**	**0.00**	**57.74**
2009-2010	78.63	(-) 0.40	78.23
2008-2009	99.47	(-)0.27	99.20
CORPORATE OFFICE			
2010-2011	**0.00**	**0.00**	**0.00**
2009-2010	(-) 0.08	0.08	0.00
2008-2009	(-)11.28	(-)0.07	(-)11.35
TOTAL OPERATING UNIT			
2010-2011	**64.46**	**0.00**	**64.46**
2009-2010	103.50	(-) 0.61	102.89
2008-2009	96.98	(-)0.86	96.12
MANDHAR			
2010-2011	**(-)4.23**	**0.00**	**(-)4.23**
2009-2010	(-) 4.09	0.00	(-) 4.09
2008-2009	(-)2.71	0.00	(-)2.71
KURKUNTA			
2010-2011	**10.37**	**0.00**	**10.37**
2009-2010	(-) 4.08	0.46	(-) 3.62
2008-2009	(-)2.10	0.00	(-)2.10
NAYAGAON			
2010-2011	**(-) 5.07**	**0.00**	(-) **5.07**
2009-2010	(-) 5.07	0.00	(-) 5.07
2008-2009	(-)6.52	(-)0.10	(-)6.62

WORKING RESULTS - UNITWISE (Conted.)

(₹ in Crores)

UNITS	PROFIT(+) LOSS (-) AS PER ACCOUNTS	PRIOR PERIOD ADJUSTMENTS & EXTRA ORDINARY ITEMS	PROFIT (+) /LOSS(-)
AKALTARA			
2010-2011	**(-) 7.95**	**(-) 0.01**	**(-) 7.96**
2009-2010	(-) 7.67	0.00	(-) 7.67
2008-2009	(-)4.97	0.00	(-)4.97
CHARKHI DADRI			
2010-2011	**(-) 4.67**	**0.00**	**(-) 4.67**
2009-2010	(-) 4.50	0.00	(-) 4.50
2008-2009	(-)3.04	0.00	(-)3.04
ADILABAD			
2010-2011	**(-) 12.82**	**0.05**	**(-) 12.77**
2009-2010	(-) 11.57	(-) 0.08	(-) 11.65
2008-2009	(-)11.13	0.18	(-)10.95
NAYAGAON EXPANSION (INCLUDING D.G.U.)			
2010-2011	**(-) 13.00**	**0.00**	**(-) 13.00**
2009-2010	(-) 13.53	0.00	(-) 13.53
2008-2009	(-)13.18	0.00	(-)13.18
YERRAGUNTLA CONTROL ACCOUNT			
2010-2011	**0.00**	**0.00**	**0.00**
2009-2010	0.00	0.00	0.00
2008-2009	0.00	0.00	0.00
TOTAL NON OPERATING UNIT			
2010-2011	**(-) 37.37**	**0.04**	**(-) 37.33**
2009-2010	(-) 50.51	0.37	(-) 50.14
2008-2009	(-)43.65	0.08	(-)43.57
GRAND TOTAL			
2010-2011	**27.09**	**0.04**	**27.13**
2009-2010	52.99	(-) 0.24	52.75
2008-2009	53.33	(-)0.78	52.55

Social Responsibility

Social responsibility has been assuming increasing importance and there is growing awareness among the Corporate Sector these days that every company should contribute positively towards the social goals. One of the protagonists of Social Audit believe three reasons for acceptance of Social Responsibility, they are :

(i) Management has become separate from ownership and is less concerned with the preservation of capital and more interested in performance which can have social component.

(ii) Companies should concern themselves with non-profit social activities.

(iii) Income as a measure of performance has been de-emphasised in favour of future potential and Social image.

Apart from the primary role of increasing the cement production and making cement available in needy, remote and back ward areas of the country, the Corporation has been, suomoto, bestowing considerable attention towards contributing to the Society and the Community at large by adopting villages adjoining its operating units to make them better place to live in. CCI has been providing reasonable medical and educational facilities to the locals through its own health centres and educational institutions. CCI also has been engaging themselves in improvement of other infrastructure like road, water supply facilities and development of non conventional energy sources to the adopted nearby villages. In the commitment of environmental improvements, CCI has been developing parks, play grounds and is also planting/rearing trees.

As part of anti-pollution measures, CCI is commited to make the environment around its factories dust free by installation of ESP systems in the old plants not having this facility. All new plants have these systems already.

The Conventional measurement of profitability and growth as reflected in lthe profit & loss statement and the balance sheet is not adequate enough to reveal extent of contribution business houses had made to the community in discharge of its responsibility to various facets of society. It may perhaps take some more years before we develop suitable techniques for measuring social and community contribution with relative degree of confidence and accuracy. Nevertheless, we have taken inspiration from standards and concepts evolved by David F. Linowes and the Abt, Associates Annual Report 1972 which provide guidelines to draw social statement of various social events enarating as by-products of a business activity.

CCI has been making efforts to bring out “Social Account” by drawing upon the guidelines of “Abt. Associate Annual Report 1972' with such modifications as considered suitable. This is the Twenty fourth year in succession in which such an account is being projected and included in the Annual Report of the Company.

The Social income statement comprises three substatements each showing Company’s social impact separately on staff, community and the general public comparing the benefits vis-a-vis the detriments (Costs) to the Society. In this connection, it may be taken note of that Social Accounts are “Society’s statements” and not of the Company, as they portray the total social benefits drawn by the Society from the Company’s multifarious operations as well as the detriments developed on the society due to the Companies activities.

Social Accounts/Social Income Statements

(₹ in lakhs)

PARTICULARS			20010-2011	2009-2010
I.	**Social Benefits and Costs to Staff**			
	A.	**Social benefits to Staff**		
	1.	Medical and hospital facilities	**3,08.67**	2,54.98
	2.	Educational facilities	**81.10**	42.73
	3.	Canteen facilities	**40.05**	30.57
	4.	Recreation, entertainment and cultural activities	**52.54**	22.38
	5.	Housing and township facilities	**1,86.51**	1,73.85
	6.	Water Supply, concessional electricity and transport	**51.41**	19.76
	7.	Training and career development	**1.11**	1.14
	8.	Provident Fund, gratuity, Bonus & Insurance benefits	**9,34.12**	4,45.60
	9.	Holiday, leave encashment and leave travel benefits	**4,03.57**	1,42.16
	10.	Other benefits	**2,52.70**	1,96.69
	Total benefits of Staff		**23,11.78**	13,29.86
B.	**Social Costs to staff**			
	1.	Lay off and involuntary termination	—	—
	2.	Extra hours put in by officers voluntarily	**5.92**	5.39
	Total cost of Staff		**5.92**	5.39
	Net Social Income to Staff-I(A-B)		**2305.86**	13,24.47
II.	**Social Benefits and Costs to Community**			
	A.	**Social Benefits to Community**		
	1.	Local taxes paid to Panchayat/Municipality	**69.87**	45.32
	2.	Environmental Improvements	**16.50**	15.00
	3.	Generation of job potential	**48,66.53**	47,75.78
	4.	Generation of business	**3,26.20**	2,76.54
			52,79.10	51,12.64
	B.	**Social costs to Community**		
	1.	Increase in cost of living in the vicinity on account of the Cement Plant	**6,10.22**	4,69.40
		Net Social income to community-II(A-B)	**46,68.88**	46,43.24
III.	**Social Benefits and Costs to General Public**			
	A.	**Social benefits to General Public**		
	1.	Taxes, duties, electricity charges, etc. paid to the State Government	**84,02.32**	82,28.73
	2.	Taxes duties Railway Freight etc. paid to the Central Government	**51,81.57**	60,35.47
	Total Benefits to General Public		**1,35,83.89**	1,42,64.20
	B	**Social Costs to General Public**		
	1.	State services consumed-Electricity service	**45,19.68**	40,84.17
	2.	Central services consumed Telephone, Telegrams,	**32.60**	22.42
	3.	Postal services and Banking	**9.89**	13.54
		Total Social Costs to General Public	**45,62.17**	41,20.13
		Total Social Costs to General Public III (A-B)	**90,21.72**	1,01,44.07
NET SOCIAL INCOME TO STAFF COMMUNITY AND GENERAL PUBLIC (I+II+III)			**2,12,75.56**	1,61,11.78

Social Balance Sheet

(₹ in lakhs)

	LIABILITIES	As at 31.03.2011	As at 31.03.2010		ASSETS	As at 31.03.2011	As at 31.3.2010
I.	ORGANISATION EQUITY	22,06.11	22,06.11	I.	SOCIAL CAPITAL INVESTMENT		
				1.	Township land	48.37	48.37
				2.	Buildings		
					i) Township (Residential & Welfare Buildings)	1725.63	17,25.63
					ii) Canteen Buildings	28.38	28.38
				3.	Township water supply & sewerage	1,57.99	1,57.99
II.	SOCIAL EQUITY			4.	Township Roads	39.00	39.00
	Contribution by staff	2,56,40.60	2,37,52.90	5.	Township Electrification	41.33	41.33
				II.	OTHERS SOCIAL ASSETS		
				1.	Hospital Equipments	5.82	5.82
				2.	Hospital Vehicles/ Ambulances	29.38	29.38
				3.	School Equipments	1.37	1.37
				4.	Club Equipments	14.03	14.03
				5.	Playgrounds/parks	3.55	3.55
				6.	School Buses	94.13	94.13
				7.	Others	17.13	17.13
				III.	HUMAN ASSETS	2,56,40.60	2,37,52.90
		2,78,46.71	2,59,59.01			2,78,46.71	2,59,59.01

Our Employees-Our Greatest Assets

(i) HUMAN RESOURCES

"Human Resources" are of vital importance and significance to an enterprise and constitute a primary segment of the total resources held. A peculiar aspect of "Human Resources" is that while these have infinite potential yet whatever is realised out of this resources is generally akin to the tip of the iceberg the remaining whole lot lying submerged untapped. Deliberate efforts have therefore, to be made to augment the gap between 'Actual' and 'potential' "Human resources" may also be branded as "Mother Resources" through the medium of which other scare resources viz. Machines, material, money are organised, co-ordinated, directed and controlled. Maximum realisation of the Potentialities of this "Mother Resources" is of crucial importance for the success of an enterprise. The in-house management and leadership styles the participative, collaborative and supportive climate, the motivational environment, care concern and fellow feelings for each other, the freedom and flexibility to operate within given frame-work of organisational goals and objectives productivity oriented performance yard sticks and continued management's positive awareness for training & development effort to keep the threat of human obsolescence at bay are some of the essential inputs for tapping this resource of human assets. Besides, the human resources, the highly perishable by mere efflux of time unless they are effectively and meaningfully put to use continually.

CCI is fully conscious of these phenomena and gives utmost attention and priority to maintain the human assets in fine fettle. The procurement, development, compensation, integration and maintenance of human resources are thoughtfully planned, skilfully organised, carefully controlled and deftly directed so as to secure the meaningful and the individual's needs, organisational goals and social objective are successfully accomplished.

A good insight into existing human potential can be well perceived through the profile of the human power distributed professionwise and agewise 36.03% of the total employees strength of CCI represent technically and professional qualified, degree/diploma holders. As such 25.61% of total strength of the organisation are in the age group of 26-50 year. However, average age of our employees comes to 52 years. The broad distribution of CCI's human force is as under:

Professional Profile

Sl. No.	PARTICULARS	No. of employees As on 31.3.2011	No. of employees As on 31.3.2010
1.	Post Graduate Engineers	**2**	3
2.	Engineers with MBA	**1**	1
3.	Graduate Engineers	**25**	27
4.	CA/ICWA/SAS/ACS	**9**	9
5.	MBBS	**1**	1
6.	MBAs	**21**	22
7.	Engineer Diploma Holders	**46**	48
8.	Professional Diploma holders	**49**	53
9.	Post Graduate	**55**	58
10.	Graduates	**189**	197
11.	ITI Certifecate Holders	**202**	225
12.	Others	**388**	434
	TOTAL	**988**	1078

The age wise and category-wise distribution of employees as on 31.3.2011 is given below :

CATEGORY	YEARS 31-35	36-40	41-45	46-50	51-55	56 & Above	Total	Avg. Age
Executives	-	-	12	29	55	16	112	52
Supervisors	-	-	9	31	82	42	164	53
Artisans (Skilled workers)	-	3	19	39	148	92	301	53
Semi Skilled	-	1	11	36	87	40	175	53
Clerical & other Supporting Staff	-	1	7	20	63	36	127	53
Unskilled	-	2	12	21	43	31	109	52
TOTAL	-	7	70	176	478	257	988	
Percentage	-	0.72	7.08	17.81	48.38	26.01	100	53

The dichotomy in accounting between human and non-human capital is rather fundamental in that while latter is recognised as an asset and recorded as such in the financial statements, the former is totally ignored with the accelerated growth in science and technology the value of human Capital is gradually increasing and hence it is essential for a company to reflect the investment in human resources.

In the absence of clear cut, well defined and universally accepted model for evaluation of the economic worth of human assets of a company an attempt has been made to assess the same, by working out the present value of the anticipated future earnings of the employees taking into account the present pay scales and the promotional policies being followed. The computation has been based on the guidelines and principles enunciated in the economic models developed by Lev and Schwartz. (1971) Eric Flamholtz (1974) and Taggi and Lau (1974) with appropriate modifications found necessary.

The total value of human assets of the company evaluated on the lines indicated above is as follows :

CATEGORY	**As at 31.3.2011**		As at 31.3.2010		As at 31.3.2009	
	Value in Lakhs (₹)	**No. of Employees**	Value in Lakhs (₹)	No. of Employees	Value in Lakhs (₹)	No. of Employees
Executives	58,10.88	112	61,36.80	120	44,69.90	134
Supervisors	61,30.41	164	56,62.62	174	44,53.23	178
Skilled Workers	76,81.53	301	58,27.97	351	51,77.07	388
Semi-Skilled Workers	33,91.77	175	27,34.33	179	25,57.44	184
Clerical & Other Supporting Staff	14,85.62	127	19,52.62	140	21,68.25	150
Unskilled workers	11,40.39	109	14,38.56	114	14,59.39	125
TOTAL	2,56,40.69	988	2,37,52.90	1078	2,02,85.28	1159

II. EMPLOYMENT PREFERENCES

The Company is conscious of its obligations to the havenots of the Society. As a deliberate policy reservation are made in the matter of recruitment, promotion etc, and special care is taken to ensure adequate representations on its rolls for physically handicapped person's ex-servicemen and those belonging to the hitherto deprived sections of the society such as Scheduled Casts and Tribes.

III. INDUSTRIAL RELATIONS

Industrial relations in the company continued to be cordial during the year, regular discussions and interactions are conducted with the Trade Unions and employees at various forums to resolve differences and improving industrial relations.

IV. WELFARE FACILITIES

It has been our constant endeavour to progressively increase, within resource constraints, the facilities and amenities available to the employees by way of providing residential, schooling, Medical, canteen, transport and other welfare facilities. The number of quarters provided in township, its population, number of schools provided assisted by the Corporation, number of students on the roll of these schools and the number of dispensaries as on 31.3.2011 are given below :

Sl. No.	Name of the Unit	Number of Quarters	Population in Township	No. of Schools	No. of Students	No. of Dispensaries
1.	Mandhar (Chattishgarh)	342	08	-	-	-
2.	Kurkunta (Karnataka)	369	04	-	-	-
3.	Bokajan (Assam)	452	1012	2	280	2
4.	Rajban (HP)	449	1206	2	565	2
5.	Nayagaon (MP)	632	04	-	-	-
6.	Akaltara (Chattishgarh)	411	04	-	-	-
7.	Charkhi Dadri (Haryana)	259	08	-	-	-
8.	Adilabad (AP)	359	388	-	-	1
9.	Tandur (AP)	338	1428	1	430	1
	TOTAL	3611	4062	5	1275	6

V. ACTIVITIES & PERFORMANCE PER EMPLOYEE

The performance & other indices of the corporation for the year 2010-11, 2009-10, 2008,09 measured in terms of per employee are as follows:-

Sl.	PARTICULARS	Unit	2010-11	2009-10	2008-09
1.	Production	MT	9,11	8,98	8,25
2.	Sales turn over	₹	3,36,92,33	3,35,55,72	3,13,96,49
3.	Profit/(Loss)	₹	27,45,75	48,93,23	45,33,71
4.	Payments of Employees	₹	54,88,01	46,59,53	53,15,91
5.	Interest on sums borrowed	₹	37,28,15	34,80,71	32,24,75
6.	Provisions for replacement of assets	₹	7,83,72	8,34,36	9,55,22
7.	Social over heads	₹	2,10,23	1,25,95	95,95
8.	Value added	₹	1,90,79,09	2,11,11,17	1,89,69,74
9.	Contribution to exchequer	₹	66,64,92	20,46,48	70,97,27
10.	Capital investment on social benifits	₹	22,32,90	6,17,57,98	18,91,41
11.	Total Capital investment	₹	1,01,14,47	2,55,40,58	5,73,05,57
12.	Capital employed	₹	16,55,46	2,75,32,75	1,68,24,08

CCI'S Objectives

1. To achieve a pioneering and leading position in the exploration, prospecting and proving cement grade limestone reserves and deposits to sustain ambitious growth plans of the Corporation, in particular and of the cement industry, in general.

2. To emerge as a growing and important leader in the production of cement in the country by creating additional capacity either by expansion or by improved technology or by setting up new cement plants.

3. To emerge as a leader in setting up capacities in deficit/remote areas for removing existing regional imbalabces of production and consumption in pursuance of the national policy in this regard.

4. To emerge, resultantly as the largest seller of cement in the country and to continue to perpetuate and improve upon the same position by constant increase in the production capabilities.

5. To develop and enter export market for export of cement particularly, to neighbouring South East Asian countries.

6. To undertake detailed and scientfic scanning of the marketing potentialities for development and diversification into areas of cement based building materials such as AC sheets, pipes, sleepers, ready mixed concrete and to undertake appropirate research studies for development of other building binding materials as a substitute for cement.

7. To occupy position both of dominance and eminence in the Research and Development in different fields of cement technology and process and also bring about new innovations in the design, layout and other technical specifications of new cement plants and other related auxiliary inputs to the cement industry.

8. To develop capability and to sustain, perpetually, sound technical and engineering knowledge to render technical Consultancy services both in the field of plant lay out as well as in the cement process technology both within and outside the country.

9. To develop expertise and sustain sound practices in project management by application of modern management techniques of planning, monitoring review and process of the projects undertaken to ensure their completion within sanctioned costs without any time overrun.

10. To ensure sound commercial policies, customers acceptance and satisfaction for the Corporation's products and other services.

11. To develop confidence in the customers and to sell products/services of high quality and prices determined from time to time by the Government and to sustain a sound image for the products supplied and services rendered which are the results of latest sophisticated technology and manufacturing techniques.

12. To generate a participative culture and management style which will create good in-house working conditions and job satisfaction to all employees, to ensure fair wages commensurate with their performance, create a sense of involvement and belonging to the Corporation, instill a sense of confidence in the matter of their career growth and advancement and create an atmosphere of mutual respect and goodwill amongst all sections of the employees.

13. To sustain continuous development of managerial talent so as to ensure their best contribution in the matter of utilisation of resources placed and their disposal for managing and to provide adequate training and development opportunities for all our workmen.

14. To develop organisation structure with well defined objectives and responsibilities to create an atmosphere where freedom to function and flexibility to perform is ensured for all according to their ability, capacity, resourcefulness and initiative.

15. To develop internal resources to sustain future growth of the Corporation as envisaged.

16. To put in its humble mite and fulfil its social and community obligations by pursuing national policies in regard to development of rural and backward areas to the extent resources of the Corporation could be deployed.

17. To review from time to time the environmental impact of setting up of our industries and to continuously find ways and means to offset/ minimise impact of such environmental pollution.

Salient features of our Units

MANDHAR (Distt. Raipur, Chhattisgarh)

This is the first unit of the Corporation, which went into production in July, 1970 adopting the wet process and this was expanded to produce slag cement from November, 1978. The slag requirement is drawn from Bhilai Steel Plant.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**3.80**	3.80	3.80
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	**(4,23.24)**	(4,08.80)	(2,70.88)

The production remained suspended due to unit being unviable.

KURKUNTA (Distt. Gulbarga, Karnataka)

This is the second wet process unit which went into production from October, 1972.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**1.98**	1.98	1.98
Production (in lakh tonnes)	**-**	-	-
Value of Production (₹ in lakhs)	**-**	-	-
Profit/(Loss) (₹ in lakhs)	**(10,36.59)**	(3,61.92)	(2,09.86)

BOKAJAN (Distt. Karbi Anglong, Assam)

This unit is located in diffcult area in Karbi Anglong Distt. of Assam, set up more from a socio economic point of view of serving the neighbouring areas with cement, rather than only from normal economic consideration. Limestone for this unit is transported, by ropeway 18 Kms long, passing through difficult terrain. The unit went into production from1st April, 1977.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**1.98**	1.98	1.98
Production (in lakh tonnes)	**1.33**	1.50	1.29
Value of Production (₹ in lakhs)	**60,71.26**	63,10.89	48,89.44
Profit/(Loss) (₹ in lakhs)	**4,92.88**	12,11.28	4,72,24

RAJBAN (Distt. Sirmur, Himachal Pradesh)

This is yet another unit located in a hilly and difficult area. In addition to normal communication being difficult, the unit is serviced for both inward movement of materials and outward movement of finished products by road trasport for a considerable lead, as the Unit does not have nearby rail head. The entire production of this factory has to be distributed by road. From the quarry situated in the hills, limestone is transpoted by a ropeway of 9 kms. The unit is in commercial production from April, 1980.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**2.48**	2.48	1.98
Production (in lakh tonnes)	**1.57**	1.87	1.43
Value of Production (₹ in lakhs)	**58,00.78**	68,34.04	51,03.34
Profit/(Loss) (₹ in lakhs)	**1,80.32**	12,54.91	3,54.45

NAYAGAON (Distt. Mandsaur, Madhya Pradesh)

This unit with an annual installed capacity of 4 lakh tonnes went into commercial production from 1st March, 1982.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**4.00**	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	**(5,06.75)**	(5,07.38)	(6,61.90)

Expansion project by another 10 lakh tonnes was undertaken on the concept of split location i.e. clinkerisation at Nayagaon and grinding of clinker at Delhi and Bhatinda. Clinkerisation plant at Nayagaon and grinding unit at Delhi have gone in to commercial production from 1.5.90.

NAYAGAON Expn. Including DGU & BGU

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**5.00**	5.00	5.00
Production (in lakh tonnes)	**-**	-	-
Value of Production (₹ in lakhs)	**-**	-	-
Profit/(Loss) (₹ in lakhs)	**(13,00.00)**	(13,53.54)	(13,18.36)

AKALTARA (Distt. Bilaspur, Chhattisgarh)

This unit went into commercial production from 1st April, 1981.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**4.00**	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	**(7,95.62)**	(7,66.57)	(4,97.50)

The production remained suspended due to unit being unviable.

CHARKHI DADRI (Distt. Bhiwani, Haryana)

This was a sick unit taken over by the Government of India and vested with CCI in June, 1981. After rehabilitation within a short period, cement grinding was started by September, 1981 and clinker production started subsequently. Out of two streams, only one was capable of rehabilitation.

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**1.74**	1.74	1.74
Production (in lakh tonnes)			
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	**(4,66.99)**	(4,50.43)	(3,04.11)

The production remained suspended due to unit being unviable.

ADILABAD (Distt. Adilabad, Andhra Pradesh)

This unit went into commercial Production from Apri, 1984

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**4.00**	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	**(12,77.43)**	(11,65.31)	(10,94.90)

TANDUR (Distt. K. V. Ranga Reddy, Andhra Pradesh)

This unit went into commercial production from 1st July, 1987

	2010-2011	2009-2010	2008-2009
Installed capacity (in lakh tonnes)	**10.00**	10.00	10.00
Production (in lakh tonnes)	**6.10**	6.31	6.83
Value of Production (₹ in lakhs)	**1,84,13.77**	202,80.76	224,40.38
Profit/(Loss) (₹ in lakhs)	**57,73.10**	78,22.65	99,20.46