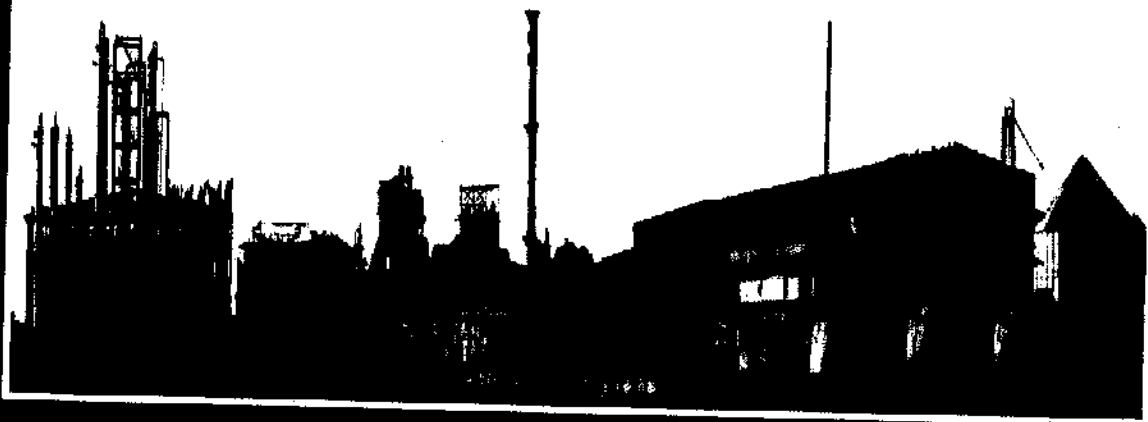


36th Annual Report *2011-12*

BCL Industries
& Infrastructures Ltd.



BOARD OF DIRECTORS

Shri Rajinder Mittal
Chairman & Managing Director

Shri S. N. Goyal
Whole-time Director

Shri Baldev Raj Gupta
Director

Shri V. K. Nayyar
Director

COMPANY SECRETARY
Smt. Nikita Sheth

AUDITORS
M/s. P. Mittal & Co.,
Chartered Accountants,
Mittal Street, Amrik Singh Road,
Bathinda-151 005.

INTERNAL AUDITORS
M/s. Kamal Parshotam Jain & Co.
Chartered Accountants,
16916, Street No. 1/2,
Basant Vihar, Bathinda-151 005.

MAIN BANKERS
Punjab National Bank,
Bank Street, Bathinda-151 001.

REGISTERED OFFICE & WORKS
Hazi Rattan Link Road,
Post Box No. 71,
Bathinda-151 001.

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NOTICE

Notice is hereby given that the 36th Annual General Meeting of the members of BCL Industries & Infrastructures Limited will be held on Friday, 28th day of September, 2012 at 3.30 p.m. at Ganpati Endave, Dabwali Road, Bathinda (Punjab) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri V. K. Nayyar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as an ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269 & 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, consent be and is hereby accorded for the re-appointment of Shri Rajinder Mittal as Managing Director of the company for a period of five years with effect from 01/04/2012 to 31/03/2017 on remuneration of ₹ 100000/- per month by way of salary, commission, etc. which the company is entitled to pay in accordance with the terms and conditions as prescribed under schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and / or vary the terms and conditions of the said re-appointment and/or remuneration so as not to exceed the limits specified in the schedule XIII of the Companies Act, 1956."

for and on behalf of the Board

Place : Bathinda,
Dated : 14th Aug., 2012

Nikita Sheth
Company Secretary

NOTE:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The detail under Clause 49 of the Listing Agreement in respect of Directors seeking appointment / re-appointment at the Annual General Meeting is annexed hereto.
3. The Register of members and share transfer books of the Company will remain closed from 26th September, 2012 to 28th September, 2012 (both days inclusive).
4. Members desiring any information as regards the accounts are requested to write to the Company at least 10 days before the date of the meeting so as to enable the management to provide the information during the Annual General Meeting.
5. Members are requested to quote the Ledger Folio or Client ID and DP ID numbers in all communications with the Company or Registrar & Share Transfer Agent and also to notify any change of addresses to them.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 4

The present term of appointment of Shri Rajinder Mittal as a Managing Director expires on 31/03/2012. He is responsible for overall activities of the company and manage day to day affairs of the company. Under the guidance and leadership of Sh. Rajinder Mittal, your company has implemented various investment plans and business strategies successfully. The Board of Directors feels that for the sake of continuity of present management and for efficient running of the business of the company, the services of Shri Rajinder Mittal should be made available to the company for a further period of five years. The Board of Directors in their meeting held on 30th March, 2012 re-appointed Shri Rajinder Mittal as a Managing Director of the company, who is already Managing Director of one company viz, Kissan Fats Limited. The remuneration payable to him as approved by the Board is subject to the subsequent approval by the shareholders of the company. The Board of Directors hopes that the company will be benefited by his services so much for the company's proper day to day operations and smooth running of business. Shri Rajinder Mittal is having expertise in the field of business in which your company is engaged and it will not only add to the enhancement of the business opportunities of your company but also enhance the profits of your company.

This may also be treated as abstract pursuant to the provisions of section 302 of the companies Act, 1956.

Keeping in view his experience and knowledge, your Directors recommend the Resolution for your assent in the interest of the company.

None of the Directors of your company are interested in or concerned in the aforesaid resolution except Shri Rajinder Mittal.

Details of Director seeking re-appointment in ensuing Annual General Meeting as per clause 49 of the Listing Agreement.

Name of Director	Sh. V. K. Nayyar
Date of Birth	7/24/1956
Date of Appointment	10/1/2002
Expertise in specific functional area	He is a Chartered Accountant and having vast experience and knowledge particularly in Accounts and Taxation. He is having Rich experience of around 25 Years in Oil & Vanaspati Industry.
List of outside Directorship held	He is not a Director in any other company incorporated in India.
Membership / Chairmanship of committees across public companies	1
Shareholding	NIL

DIRECTORS' REPORT

To

The Members of BCL Industries & Infrastructures Ltd.

Your Directors are pleased to present the 36th Annual Report on the working of the Company together with the Audited Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The financial highlights are as follows :-

	(₹ in Lacs)	
	2011-2012	2010-2011
Profit before Depreciation, Finance Cost and Tax Expenses	1935.27	1195.61
Less :		
Finance Cost	1041.24	304.11
Depreciation	233.57	208.27
Profit before tax	660.46	683.23
(Add) / Less :		
Current Tax	160.00	140.00
Deferred Tax	(17.24)	(11.59)
Profit for the year	517.70	554.82
(Add) / Less :		
Prior Period Items		
- Excess / Short Provision of Tax of Earlier Year	30.02	33.19
- Previous Year Adjustment	4.50	0.58
- b / f Surplus	(47.32)	(226.27)
Total Surplus Available	530.50	747.32
APPROPRIATIONS		
Transferred to		
General Reserve	500.00	700.00
Balance carried to Balance Sheet	30.50	47.32
Total	530.50	747.32

PERFORMANCE REVIEW

Financial year 2011-12 was challenging year. The global economy, barely a year after recession, witnessed lower economy growth due to downfall in Indian Rupee in comparison with the US \$ and downfall scenario in Sensex, resulting in the increase of prices of crude edible oils, increase in interest rates, inflation in indigenous raw materials, packing materials, other processing chemicals, direct & indirect cost etc., etc. Despite of this constraints and challenging environment the company performed reasonably well and the highlight of the performance are as above.

ACHIEVEMENT

Your directors have pleasure to inform you that this year the company has achieved the following goals inspite of the challenging environment & adverse market scenario:

- Your directors have pleasure to inform you that for the construction of luxury residential flats at Multania Road viz, D.D. Mittal Towers Phase-II, the company has obtained all the statutory permissions including environment clearance & the project will be launched very soon during the current financial year.

- The installation of Distillery unit has been completed well in time and the production has been started in the month of June, 2012. It will strengthen the overall revenue of the company in the current year.

- During the year your company has acquired the firm M/s Ganpati Estates in which the company was partner with 88% share in the previous year. Now your company have become the sole proprietor of the said firm.

- Your company once again got "B.K.Goenka Award" for being the second highest producer of refined rice bran oil in the country.

DIVIDEND

Your company has set up a Distillery Unit at Village "Sangat Kalan", Dabwali Road, Bathinda which is going to be completed within a short span of time and the production is expected to come out in the month of Aug., 2012 and the project D.D.Mittal Towers Phase-II is under progress. Keeping in view of the requirements of funds for working capital for both above said projects as well as to conserve the resources for the future requirement, your Directors do not recommend dividend for the year.

DIRECTORS

Mr. V. K. Nayyar, Director, liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Certificate by the Managing Director and Manager (Finance) confirming compliance by all the Board Members with Company's Code of Conduct and Auditor's Certificate regarding compliance of condition of Corporate Governance are made a part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that:

- (i) In the preparation of the annual accounts the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) The Directors have prepared the accounts for the financial year ended 31st March, 2012 on a 'going concern' basis.

LISTING OF EQUITY SHARES

The equity shares of the company continue to be listed on Ludhiana (Regional), Delhi, Mumbai Stock Exchanges and listing fee for the year 2012-2013 have been paid to each of the said Stock Exchanges.

HUMAN RESOURCES

The Company regards its employees as the most valuable assets and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive work environment.

PARTICULARS OF EMPLOYEES

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable as, there was no employee in the company during the year, drawing remuneration more than the amount specified in terms of section 217 (2A) of the Companies Act, 1956.

AUDITORS

M/s. P. Mittal & Co., Chartered Accountants, the Statutory Auditors of the Company, will hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS' REPORT

The observations of the Auditors are self explanatory and as such need no further explanation.

COST AUDIT

The Board of Directors has appointed M/s Pawan & Associates, Cost Accountants, Jalandhar as Cost Auditors of the Company under section 233-B of the Companies Act, 1956 for the year 2012-2013. The Cost Auditor's report will be forwarded to the Central Government as required under law.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted fixed deposits from the public under section 58-A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies

(Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with respect to energy conservation, technology absorption and foreign exchange earnings & outgo are forming part of the Director's Report and are annexed hereto and form part of the Director's Report.

APPRECIATION

The Board of Directors place on record their appreciation to all the employees of the Company for their contribution to the operations of the Company during the year under review. Your Directors also place on record their sincere appreciation of the support extended by the Government and other Statutory Authorities, Company's Bankers, Business Associates, Auditors and all the Shareholders of the Company.

for and on behalf of the Board

Place : Bathinda,
Dated : 14th Aug., 2012

(Rajinder Mittal)
Chairman & Mg. Director

ANNEXURE TO THE DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

A) CONSERVATION OF ENERGY

The Company continues to place specific emphasis on energy conservation. No additional investment is made.

FORM 'A'

Form for disclosure of particulars of conservation of energy:-

1) POWER AND FUEL CONSUMPTION

	2012	2011
i) ELECTRICITY		
a) Purchased Units	11978730	12165648
Total Amount (In ₹)	69981863	65400951
Rate/Unit	5.84	5.38

b) Own Generation through Diesel/R.F.O./H.P.S. Generator		
Units	41510	42980
Total Amount (In ₹)	392551	405649
Rate/Unit	9.46	9.44

ii) COAL (Used in Boiler):

Quantity (In M.Ts.)	-	-
Total Cost	-	-
Average Rate PMT	-	-

iii) FURNACE OIL :

Quantity (In Liters)	-	-
Total Cost	-	-
Average Rate Per Liter	-	-

iv) OTHERS

Rice Husk/R.F.O./L.D.O.		
Total Cost (In ₹)	44409678	57387064

2) CONSUMPTION PER UNIT OF PRODUCTION

Electricity (Units)	7.17	6.99
Coal (Qtls)	-	-
Furnace Oil (In Liters)	-	-

B) TECHNOLOGY ABSORPTION

FORM 'B'

Form for disclosure of particulars of technology absorption :-

Although no separate R & D Department has been set up yet the Company has taken care to train chemists & engineers in various disciplines. The Company is having a well equipped laboratory which meets the requirement of quality control.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings : ₹ 394.20 Lacs
Outgo : ₹ 6521.64 Lacs

for and on behalf of the Board

Place : Bathinda,
Dated : 14th Aug., 2012

(Rajinder Mittal)
Chairman & Mg. Director

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company is engaged in the business of edible oils as well as Real Estate as a developer and colonizer and developed various commercial and residential sites. The edible oil business includes refined vegetable oil, vanaspathi ghee, mustard oil & rice etc. in the name of Homecook, Do Khajoor and Murlī. Homecook brand offers a wide range of refined oils, which includes rice bran oil, soyabean oil, sunflower oil, cottonseed oil and rice. Crude edible oils are imported like palm oil & DSBO etc. every year for blending and refining with other edible oil based products.

OPPORTUNITIES

The future outlook of the oil business as well as Real Estate business is looking good. Your company has opportunities in the market, due to the fact that company constantly endeavors to improve productivity, reduce cost and provide goods and services to the satisfaction of the customers.

RISK & THREATS

Risk is inherent aspect of business. Risk taking is essential ingredient for growth. The level and type of risks depend from company to company based on growth strategy, expansion plans and various other factors. However, your company is continuously evaluating the risks in all the segments of business and taking proactive steps to contain/minimize its impact on the business.

INDUSTRIAL RELATIONS & HUMAN RESOURCES MANAGEMENT

Industrial relations at all the level of works of the Company remained cordial and harmonious during the year under review. Your Company considers human resources very valuable assets for the development of the Organization. To enhance the competencies of the employees at all levels, your Company organizes a series of in house training programme.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control system commensurate with the nature of its business and the size of its operations. Internal control system is well established to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The internal control system is designed to ensure that financial and other records are reliable for preparing the financial statements and other data and for maintaining the accountability of assets. The internal audit is carried out by the Internal Auditors of the Company and covers all the departments of the Company. The audit process is undertaken under the supervision and guidance of the Audit Committee. All significant audit observations and actions taken thereof are reported to the Audit Committee.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company has achieved a turnover of ₹ 536.54 Crore and earned a profit after tax of ₹ 500.46 Lacs by managing efficiently and effectively the resources at its disposal in spite of the fact that the Company has faced competition from the several domestic players.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the markets in which the Company operates, changes in Government regulations, statutes, tax laws and other incidental factors.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to focus on good Corporate Governance and its primary objective is to create and adhere to a corporate culture of integrity, transparency, disclosure, accountability, equal treatment of all shareholders and social responsibility. It has taken all the necessary steps to ensure that all the mandatory provisions of Corporate Governance, prescribed under the Listing Agreement with Stock Exchanges with which the Company is listed, are complied with.

Your Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material matters, including financial position, performance and governance.

Your Company's policies and practices relating to Corporate Governance are discussed in the following sections.

BOARD OF DIRECTORS

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors so as to have a balanced Board Structure. The Board has four directors, two of whom are Executive Directors and the rest two are Non-Executive Directors. The Chairman of the Board of Directors of your Company is an Executive Director.

The Members of the Board of Directors of your Company are expected to possess required expertise, skill and experience to effectively manage your Company so that it can attain its organizational goals.

Each member of the Board of Directors of your Company is expected to ensure that his personal interest does not run in conflict with your Company's interests.

The Directors of your company are appointed by the Shareholders upon recommendation of the Board of Directors within the frame work of the Companies Act, 1956 as well as the Articles of Association of the Company.

The names of the Directors and the category to which they belong to, their attendance at Board Meetings during the year and the last AGM, the number of directorship and committee memberships held by them in other Companies is given below. Other directorships do not include directorships of Private Limited and Foreign Companies.

AUDIT COMMITTEE

Audit Committee of your company comprises of three directors, Shri V. K. Nayyar, Shri S. N. Goyal & Shri Baldev Raj Gupta. Shri V. K. Nayyar, is the Chairman of the Committee. All the members of the Audit Committee are financially literate and have vast experience in their respective fields. Shri V. K. Nayyar and Shri S. N. Goyal have accounting or related financial management expertise. The terms of reference stipulated by the Board to the Audit Committee are as contained in Clause 49 of the Listing Agreement. The Audit Committee regularly invites in the meeting such Executives including the Head of Finance Department and Statutory Auditors and Internal Auditors of the Company as it considers appropriate. The minutes of the Audit Committee Meeting were circulated to the Board. The Audit Committee met five times during the financial year on 11/05/2011, 25/07/2011, 23/08/2011, 10/11/2011 & 31/01/2012.

Name	Category	Number of Board Meetings attended	Attendance at last AGM	No. of Directorship in other Public Limited Companies	Committee Position held in other Public Limited Companies	
					Chairman	Member
Shri Rajinder Mittal	Executive	20	Yes	7	2	2
Shri S. N. Goyal	Executive	21	Yes	Nil	Nil	Nil
Shri V. K. Nayyar	Non Executive	7	No	Nil	Nil	Nil
Shri Baldev Raj Gupta	Non Executive	21	Yes	Nil	Nil	Nil