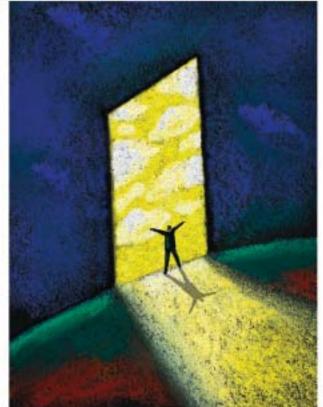
LAST MAN



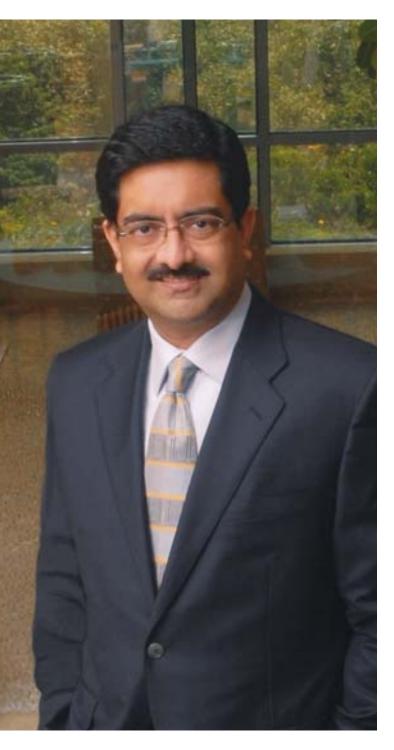
FIRST MAN FORWARD



UltraTech Cement Limited



Mr. G. D. Birla and Mr. Aditya Birla, our founding fathers.



Dear Shareholder,

Almost four years after the greatest financial and economic upheaval since the Great Depression, the global economy is regaining a measure of stability and confidence. But the risks to growth remain. The situation looks unsteady once again, with the problems in the Euro Zone. The IMF projects that the global economic growth will decline from 4% in 2011 to 3.5% in 2012, before picking up to 4% in 2013. The Euro zone shows signs of slipping into a recession again, though that is expected to be offset by around 2% growth in the US and 6% in the emerging and developing economies. The economies of Africa, particularly sub-Saharan Africa, are demonstrating structural improvement. Japan is on the road to normalcy after the twin disasters of the tsunami and the Fukushima nuclear reactor accident. The global supply chains, disrupted by the disasters in Japan and the floods in Thailand, have been restored. The financial condition of the large global corporations is extremely strong, and their cash holdings at an all-time high.

The worst-case scenarios for the global economy have not come to pass. That, in no small measure, is due to the unprecedented stimulus provided by governments and central banks. Europe has also reached a degree of consensus on

The Cement Sector
undeniably plays a
critical role in the
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of the country and
in its journey towards
inclusive growth.

fiscal reforms. The ECB has also put in place firewalls to ward off a widespread economic contagion.

Clearly, the road ahead is not yet smooth. The bond, inter-bank and sovereign debt markets in Europe remain jittery. The process of financial deleveraging still has a long way to go. Oil prices remain stubbornly high. Unemployment is proving extremely sticky and concerns about inequality are growing. A major worry is the political gridlock in many major countries, that makes it difficult to strike the right trade-offs between growth and fiscal and monetary restraint.

The Indian economy was quick off the mark in recovering after the 2008 shocks. But the growth momentum has slowed considerably over the past year. GDP growth of 6.5% in FY12 was down from 8.4% in FY11. Some of the key indicators are bearish. Gross fixed capital formation has contracted in recent months. Growth in industrial production in the April 2011 - March 2012 period slid to 2.8%, compared to 8.2% during the same period last year. Inflation, particularly in food items, remains high. There have been major slippages on the fiscal side. The current account deficit, in the April 2011 - March 2012 period widened to 4.2% of GDP, a clear warning sign. On a trade-weighted basis the Rupee depreciated around 8% in the past year. Given the slippage in growth, RBI's decision to ease monetary policy was timely. Even so monetary policy will not be effective unless it is supported by fiscal restraint. India's economy is poised delicately. Recent policies have not taken the economy forward.

The Cement Sector undeniably plays a critical role in the economic growth of the country and in its journey towards inclusive growth. Cement is vital to the construction sector and to all infrastructural projects. The construction sector alone contributes to over 7% of the country's GDP. Because of the lull in the economy, FY12 was indeed a trying year for the Cement industry.

Faced with a surplus scenario, capacity utilisation hovered around 73%. Operating costs particularly that of energy and freight soared. The price of imported coal saw a steep spike. This, coupled with the depreciation of the rupee and escalation in the cost of diesel, compounded the matter. With the recovery in demand from November 2011 onward, the industry recorded a 9.6% growth in the second quarter of FY12, clocking an annual growth of 7% compared to 5.7% in the previous year.

For the Financial Year 2011-12, your Company's revenues stood at US\$ 3.82 billion vis-à-vis US\$ 2.92 billion in the previous year. Its Net Profit was US\$ 510 million as against US\$ 308 million in FY11.

Growing with agility

Our efforts to solidly consolidate our pole position in the cement business continue. UltraTech is a pan India player and is the largest cement producer in the country. We have lined up aggressive growth plans in the cement business. Projects that have been rolled out include clinkerisation plants through brownfield expansions at Chhattisgarh and Karnataka. Additional grinding units, waste heat recovery systems, bulk packaging terminals and ready mix concrete plants, will also take off. These projects are expected to be operational from early FY14. On their completion, your Company's cement capacity will stand augmented by 10 mtpa to total 62 mtpa.

Capital Outlay

A capital outlay in excess of US\$ 2 billion has been earmarked for these projects.

Increased focus on safety

We have always placed a premium on the safety of our employees, service providers, host communities and society at large. Given your Company's expansion plans and advances in technology, it is even more imperative to drive home the criticality of safety in We have always placed
a premium on the safety
of our employees,
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society at large.

I feel positive that

UltraTech will raise the
bar of performance

next year as well and
leverage opportunities

that the sector presents.

every single operation at our plants – be it the construction site or at the shop floor. Our intent is to ensure that safety becomes a way of work at our plants. Towards this objective your Company has enlisted DuPont Sustainability Group, the consultancy wing of DuPont India, renowned worldwide for its strong safety culture. They are to assist us on the path to achieve safety excellence. As a part of this initiative, your Company has set up an Apex Safety Council - "Safety Board" which is spearheaded by its Whole-time Director. Its mandate is to provide the strategic direction, set priorities and inculcate the safety mindset across employees including contract workers. Our ambition is to attain the status of a benchmark cement company in safety as well.

Outlook

The cement sector continues to accost problems such as a mismatch between the supply and demand, and spiralling input costs in every area, particularly energy and freight. While the past few years has seen capacity additions of nearly 100 mtpa, going forward 71 million tons are expected to go on stream between FY13 and FY15. Nevertheless, cement demand is slated to remain firm and rise at the CAGR of 8.5% in the near future. So while the short term does present unique challenges, over the mid to longer term, cement offers good growth potential.

I am buoyant about this sector, given the Government's thrust on inclusive growth and the need to put infrastructural projects on the rail again. I feel positive that UltraTech will raise the bar of performance next year as well and leverage opportunities that the sector presents.

To our teams

I thank all our teams for their solid performance, undiluted commitment and laser sharp focus on delivering results.

The Aditya Birla Group in perspective

Despite a choppy global economy, our Group turned in a solid performance in FY12, anchored by our 133,000 strong workforce comprising 42 nationalities spanning 36 countries. Our consolidated revenues were a little over USD 40 billion, reflecting a 14% growth.

It is my abiding belief that our people are the single most important enablers from every perspective. It is with a sense of deep pride that I share with you the fact that our continuous investment in the people area has paid rich dividends. Our Group has been ranked fourth in the Global Top Companies for Leaders and first in Asia Pacific in the Top Companies for Leaders' 2011 study conducted by Aon Hewitt, Fortune and the RBL Group. 470 companies worldwide participated in this study. This recognition is personally heartening for me, given that we have competed against the best of breed global companies.

I personally am convinced that we are now forging ahead on the people front. Our dedicated efforts in enhancing the quality of life of our employees and their families, continues unabated.

Our Talent Management and Leadership Development processes have been further enhanced, to meet our very specific talent requirements, with many more employees being included. To mention a few, launched:

- a Global Manufacturing Leadership Program to induct lateral recruits and fortify our technical talent in our Units.
- a Continuing Education Policy to support managers in acquiring higher specialist education for skills upgradation while they continue to be in their jobs.
- "Cutting Edge", the accelerated P&L Leadership development Program, to enable function leaders to transition to P&L roles.

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And finally let me add
that over the years,
we have through
determined and deliberate
effort come to be in this
position of being the
'Last Man Standing',
almost across each
of our businesses
the message
I want to convey is that,
the last man standing has
the best chance at being
the first man forward.

 And over 30,000 touch points to our learners through multiple learning formats. With these the number of people being targeted for honing competencies and developing skills has risen many times over. This is in sync with our "World of Opportunities" proposition. The customization of these learning programmes is far sharper this year on.

Beyond Business

Given that our employees have a desire to contribute to the larger community, including those of their colleagues who need support, we are setting up a new trust called the "World Of Opportunities Foundation", through which our employees can contribute to supporting the higher education of children in need.

Last Man Standing - First Man Forward

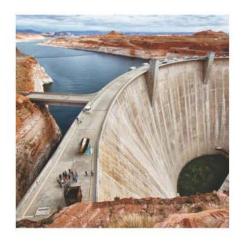
And finally let me add that over the years, we have through determined and deliberate effort come to be in this position of being the 'Last Man Standing', almost across each of our businesses. And when we do face a downturn today, from our position of strength, the message I want to convey is that, the last man standing has the best chance at being the first man forward. The first man forward to consolidate market positions, to show superior performance in each industry and get a few steps ahead of competition.

Yours sincerely.

Kumar Mangalam Birla



From Foundation to Finish: The UltraTech Advantage



the Aditya Birla Group's cement business. With its significant presence in grey and white cement, ready mix concrete, building products and building solutions, UltraTech strives to become a one-stop solution provider for all primary construction needs. Its meteoric rise as the largest cement brand in India reflects the organisation's customer-centricity and focus on cutting edge technologies, research and technical services.

UltraTech Cement Ltd, as you see it today, is the consolidation of





- Largest white cement producer in India
- Operations in five countries India, Bahrain, UAE,
 Bangladesh and Sri Lanka
- India's largest exporter of clinker
- 11 integrated plants, 15 grinding units, 5 terminals, 1 white cement plant
- Over 100 Ready Mix Concrete plants
- Foray into new-age building products and solutions
- Collaboration with DuPont Sustainable Solutions towards enhancing organizational Safety Best Practices
- Member of Cement Sustainability Initiative of the World Business Council for Sustainable Development
- State-of-the-art R&D Centre with focus on new products, processes and sustainable development



Beyond business, UltraTech works in more than 400 villages to provide healthcare, education, safe drinking water and sanitation, sustainable livelihood and income generation opportunities for women.



UltraTech enjoys a niche space in the minds of its customers. It represents expertise, strength and modernity; laced with responsibility towards the communities we work with and the environment we live in. UltraTech is known as 'the expert who cares', which reinforces the values that UltraTech stands for, while also signifying the strong bond that exists between the brand and its customers, forged over the years.



Reaching greater heights

UltraTech Cement is one of the leading manufacturers of grey cement in the world. It has established an extensive pan-India presence with a footprint in all states, and is also present in four other countries through its manufacturing plants and bulk terminals. UltraTech is today the preferred cement supplier to major infrastructural, commercial and residential projects in India.

Highlights

- Largest manufacturer of cement in India
- ISO 9001, ISO 14001 and OHSAS 18001 certification for most plants
- Significant presence in the Middle East with the acquisition of ETA Star Cement; 5 manufacturing plants, 2 grinding units and 1 clinkerisation plant in UAE, and 1 grinding unit each in Bahrain & Bangladesh
- Products include Ordinary Portland Cement, Portland blast furnace slag cement, and Portland Pozzolona Cement
- Selected as Superbrand and Powerbrand by the Superbrands Council and Powerbrand India respectively
- UltraTech brand launched in Bangladesh
- Captive jetty for efficient use of sea route to meet domestic and international demand
- 14,000 orders processed in a day

Brand Portfolio

- UltraTech Cement
- UltraTech Premium
- Birla Super



The whitest white cement

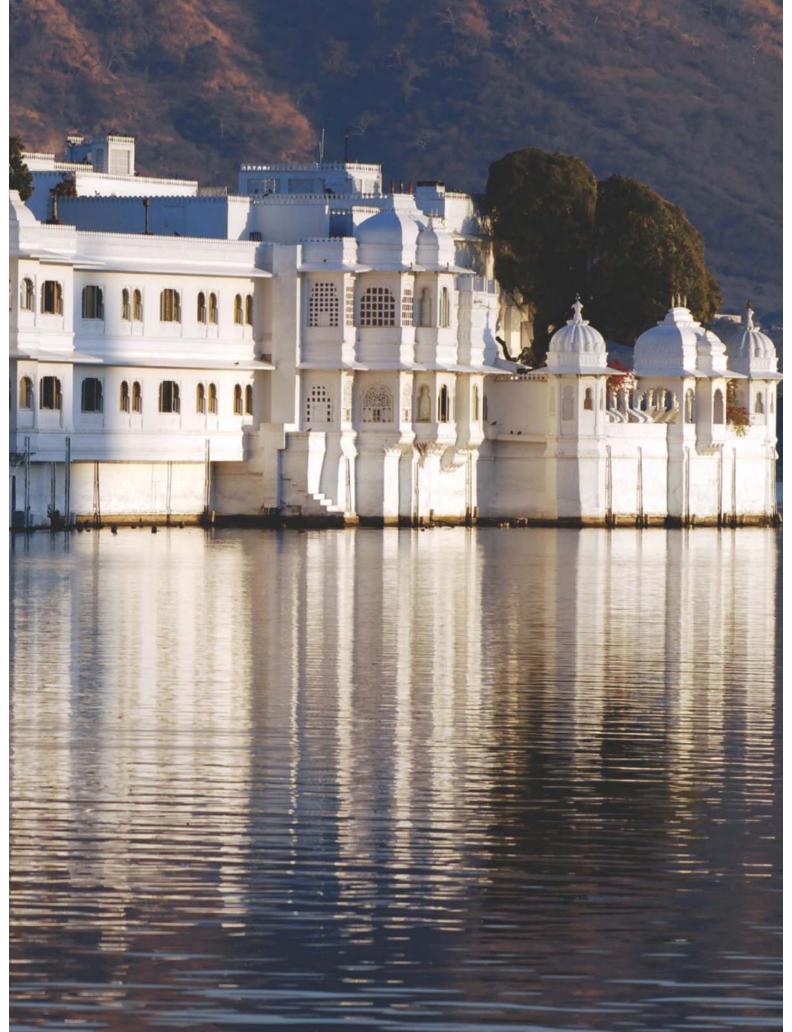
Offering a pristine white canvas for crafting architectural elegance, Birla White Cement takes artistic expression in design to the next level. Birla White is the preferred white cement for decorative paints, plasters, Mosaic tiles, Terrazzo flooring and white cement based value-added products like Birla WallCare Putty which provides protective base to paint against flaking. Its superior quality makes it the first putty in India to meet global standards (HDB, Singapore).

Highlights

- One of the most technologically-advanced white cement manufacturing plants in the world
- Awarded Superbrand status in both Business and Consumer category
- CEM I and CEM II grade of white cement are CE Certified; suitable for export to European markets
- Global footprint with strong presence in the developed European and fast growing Asian markets
- Awarded the prestigious IERS Level-5 and ISO 14002 Certification from DNV, Netherlands for highest levels of environmental commitment
- First to introduce sealed valve bags for Wallcare Putty packaging, using Roto Seal Packer with Ultrasonic System to curb adulteration
- Birla White Yuvaratna Award recognizes and rewards aspiring students of Architecture for excellence in creative designing of spaces and structures

Brand Portfolio

- Birla White Cement: White cement for aesthetic architecture
- Wallcare Putty: Protective base for wall paints
- Textura: Textured wall finish.
- GRC: Glass fibre reinforced concrete for decorative elevations.
- Levelplast: Water-resistant wall leveler









Making good concrete better

UltraTech is the largest ready-mix-concrete (RMC) manufacturer in India. Over and above RMC, a broad range of value-added concrete at UltraTech has been specifically designed to meet typical applications requiring one or more properties, behaviours, compositions or performance. State-of-the-art technologies and innovation are the key factors behind UltraTech Concrete's success. It supports the needs of the customers in the urban markets, making way for speedy and economical construction with zero inventory on-site.

Highlights

- More than 100 Ready Mix Concrete (RMC) plants in 35 cities in India
- India's first concrete to meet the requirement of LEED (Leadership in Energy and Environmental Design) and other green building rating systems as recognized by Indian Green Building Council
- First commercial RMC company in India to adopt concrete recycling technology
- Expert Quality Systems (EQS) for managing quality of raw materials, efficient raw mix design, and cube test results to help analyze data statistically
- 'Concrete on Call' is a unique initiative to respond to queries and supply concrete within 24 hours

Brand Portfolio

The various value-added concrete include

- UltraTech Hypercon: High strength concrete
- UltraTech Fibrecon: Fibre reinforced concrete
- UltraTech Free Flow: Self compacting concrete
- UltraTech Thermocon: Temperature controlled concrete
- UltraTech Colourcon: Colour concrete
- UltraTech Décor: Stamped concrete
- UltraTech Stainless: Corrosion resistant concrete
- UltraTech Pervious: Pervious concrete



The R&D centre is housed in a modern, futuristic building on the outskirts of Mumbai.

Building Expertise for a Sustainable World

UltraTech is committed towards improving its sustainable footprint through constant innovation across its business spectrum, products and services. Our association with Cement Sustainability Initiative (CSI) has helped us gain access to global best practices, which enables us to benchmark our own sustainability practices with international players. UltraTech believes creating and delivering solutions in the best interest of the customer, industry and the environment is more valuable than manufacturing and selling a product. In this regard, our Technical Services to our customers and our R&D initiatives to create new-age materials for a better tomorrow reflect our position as an 'Expert' in the cement industry.

Our key focus areas towards strengthening our sustainability footprint include use of alternative fuels, waste heat recovery systems, CO₂ emission reduction, waste management, zero water discharge, water recycling and biodiversity management. These initiatives reflect our commitment towards laying a foundation for a sustainable tomorrow for us, our stakeholders and the world at large.









Technical Services

Our Technical Services Department provides value-added services like training programmes to masons, construction engineers and channel partners, tips on good construction practices, on-site demos and concrete testing. It is actively involved with industry associations through participation in seminars, publication of handbooks and literature to promote the use of concrete in roads. More than 650 training programs (including 22 Concrete Mix Design) have been conducted.

R&D Facility

The central R&D facility at UltraTech is envisioned to be a premier knowledge-based, service-oriented institution that would provide comprehensive technological support to all facets of the cement business. Its ability to integrate product and process innovation across all domains of cement and concrete manufacturing practices makes it a valued contributor in our business growth trajectory.

Multidisciplinary experts trained in various facets of cement and concrete technology, capable of undertaking highly specialized research projects and services, form a significant resource in meeting future challenges of the business. The center's focus on productivity enhancement, new product development, reduction in energy consumption and environmental impact facilitates sustainable growth of the business.



REGISTERED OFFICE: 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093 Tel.: (022) 6691 7800 Fax: (022) 6692 8109. Website: www.ultratechcement.com/www.adityabirla.com

REGISTRAR & TRANSFER AGENT: Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072

Tel.: (022) 6772 0300 / 6772 0400 Fax: (022) 2859 1568 / 2850 8927

Board of Directors

Kumar Mangalam Birla Chairman

Mrs. Rajashree Birla

R. C. Bhargava

M. Damodaran

G. M. Dave

Adesh Gupta

Nirmalya Kumar

S. B. Mathur

V. T. Moorthy

S. Rajgopal

D. D. Rathi

O. P. Puranmalka
Whole-time Director

Chief Financial Officer

K. C. Birla

Company Secretary

S. K. Chatterjee

Executives

R. K. Shah Group Executive President &

CMO (Mfg. & Projects)

S. N. Jajoo Chief Marketing Officer

C. B. Tiwari Chief People Officer

R. Mohnot *Unit Head – White Cement*

Corporate Finance Division

J. Bajaj Executive President (Finance)

M. B. Agarwal Executive President

Statutory Auditors

Deloitte Haskins & Sells, Chartered Accountants, Mumbai G. P. Kapadia & Co., Chartered Accountants, Mumbai

Cost Auditors

N. I. Mehta & Co., Cost Accountants, Mumbai

N. D. Birla & Co., Cost Accountants, Ahmedabad

Solicitors

Amarchand & Mangaldas & Suresh A. Shroff & Co., Advocates & Solicitors, Mumbai

CONTENTS

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	- 1 \	IOL	

- **9** Financial Highlights
- 10 Management Discussion and Analysis
- **17** Report on Corporate Governance
- 27 Shareholder Information
- **36** Social Report Towards Inclusive Growth
- **39** Environment Report Synergizing Growth with Responsibility
- **41** Directors' Report to the Shareholders
- **56** Auditors' Report
- **62** Balance Sheet
- 63 Statement of Profit and Loss
- **64** Cash Flow Statement
- **65** Notes
- 95 Consolidated Financial Statements

NOTICE is hereby given that the Twelfth Annual General Meeting of **UltraTech Cement Limited** will be held at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025 on Thursday, 30th August, 2012 at 3:30 p.m. to transact, with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Statement of Profit & Loss for the year ended 31st March, 2012 and the Report of the Directors' and Auditors' thereon.
- 2. To declare dividend on equity shares for the year ended 31st March, 2012.
- 3. To appoint a Director in place of Mr. G. M. Dave, who retires by rotation and, being eligible, offers himself for re-appointment.
- 4. To appoint a Director in place of Mr. Kumar Mangalam Birla, who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. S. B. Mathur, who retires by rotation and, being eligible, offers himself for re-appointment.
- 6. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai (Registration No.: 117366W) and M/s. G. P. Kapadia & Co., Chartered Accountants, Mumbai (Registration No.: 104768W) be and are hereby re-appointed Joint Statutory Auditors of the Company, to hold office from the conclusion of the Twelfth Annual General

Meeting until the conclusion of the next Annual General Meeting at such remuneration to each of them, plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956 (the "Act") M/s. Haribhakti & Co., Chartered Accountants, Mumbai, be and are hereby re-appointed Branch Auditors of the Company, to audit the Accounts in respect of the Company's Units at Jafrabad and Magdalla in Gujarat and Ratnagiri in Maharashtra, to hold office from the conclusion of the Twelfth Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration, plus service tax as applicable and reimbursement of out-ofpocket expenses in connection with the audit as the Board of Directors (the "Board") may fix in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Branch Auditors of any other Branch / Unit / Division of the Company, which may be opened / acquired / installed hereafter, in India or abroad, in consultation with the Company's Statutory Auditors, any person(s) qualified to act as Branch Auditor within the provisions of Section 228 of the Act and to fix their remuneration."

8. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 260 and other applicable provisions, if any, of the

Companies Act, 1956 (the "Act") Mr. M. Damodaran, who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing along with a deposit of ₹ 500/- pursuant to the provisions of Section 257 of the Act from a Member signifying his intention to propose Mr. Damodaran as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

- 9. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:
 - "RESOLVED THAT in partial modification of the Resolution Number 10 passed by the Members of the Company at the Annual General Meeting held on 29th July, 2010 and pursuant to Sections 198, 269, 309, 310, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (the "Act") including any statutory modification(s) or reenactment(s) thereof, for the time being in force and all other applicable guidelines relating to managerial remuneration issued by the Central Government from time to time or any other law and subject to such other approvals, as may be necessary, and as are agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof and any person, authorised by the Board in this behalf), consent of the Members be and is hereby accorded to the revision in the ceiling amount of Basic Salary, Special Allowance and Variable Pay of Mr. O. P. Puranmalka, Whole-time Director, with effect from 1st July, 2012, as under:
 - i. Revision in the ceiling amount of the monthly Basic Salary from ₹ 14,00,000/- (rupees fourteen lacs

- only) to ₹ 22,00,000/- (rupees twenty two lacs only) per month, as may be decided by the Board from time to time;
- ii. Revision in the ceiling amount of monthly Special Allowance from ₹ 16,00,000/- (rupees sixteen lacs only) to ₹ 30,00,000/- (rupees thirty lacs only) per month, as may be decided by the Board from time to time. This allowance however will not be taken into account for calculation of retiral benefits such as Provident Fund, Gratuity, Superannuation and Leave Encashment; and
- iii. Revision in the amount of Performance Bonus Linked to the achievement of targets as may be decided by the Board from ₹ 2,25,00,000/- (rupees two crores twenty five lacs only) to a maximum of ₹ 4,00,00,000/- (rupees four crores only) per annum.

as may be decided by the Board from time to time for the remainder of his tenure with consequential variation or increase in the remuneration due to revision in the terms of his remuneration as aforesaid, subject, however, to the limits prescribed under Sections 198, 309, Schedule XIII and all other applicable provisions of the Act, the other terms and conditions of his appointment remaining the same, as approved at the Annual General Meeting of the Company held on 29th July, 2010."

By Order of the Board

Meater

S. K. Chatterjee Company Secretary

Place: Mumbai

Date: 23rd April, 2012

Notes:

- 1. A Member entitled to attend and vote at the Twelfth Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. The instrument appointing a Proxy should however be deposited at the Registered Office of the Company not less than fortyeight hours before the commencement of the meeting.
- 2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the meeting.
- An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 (the "Act") in respect of item nos. 7 to 9 of the Notice set out above, is annexed hereto.
- 4. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd August, 2012 to 30th August, 2012 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
- 5. The dividend, as recommended by the Board, if approved at the meeting, will be paid on or after 31st August, 2012 to those Members or their mandates whose names are registered on the Company's Register of Members:
 - a) as Beneficial Owners as at the end of business on 21st August, 2012 as per the lists to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and

b) as Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar & Transfer Agent (RTA) viz. Sharepro Services (India) Private Limited having their address at 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 on or before 21st August, 2012.

Equity shares that may be allotted upon exercise of stock options granted under the Employee Stock Option Scheme - 2006 before the book closure date shall rank pari passu with the existing equity shares and shall also be entitled to receive the dividend, if approved at the meeting.

- 6. Pursuant to the provisions of Section 205A (5) and 205C of the Act, the Unpaid / Unclaimed dividend for the financial year 2003 2004 has been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- 7. Pursuant to the provisions of Section 205A of the Act, as amended, dividend for the financial year 2004-05 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years will be transferred to the IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the financial year 2004 - 05 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the RTA on or before 15th September, 2012, failing which the unpaid / unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid / unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the IEPF in respect of such amount by the Member.

- 8. a) Members are requested to notify immediately any change of address:
 - (i) to their Depository Participants (DPs) in respect of the shares held in electronic form, and
 - (ii) to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.
 - b) In case the mailing address mentioned on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
- 9. Non-resident Indian Members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately:
 - (a) the change in the residential status on return to India for permanent settlement.
 - (b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.
- 10. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting reference of their Folio numbers or their Client ID number with DP ID number, as the case may be.
- 11. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the Members after making requisite changes thereon.
- 12. (a) Members are advised to avail of the facility for receipt of dividend through Electronic Clearing Service (ECS). The

- ECS facility is available at specified locations. Members holding shares in electronic form are requested to contact their respective DPs for availing ECS facility. Members holding shares in physical form are requested to download the ECS form from the website of the Company viz. www.ultratechcement.com and the same duly filled up and signed along with a photocopy of a cancelled cheque may be sent to the Company or its RTA.
- (b) Members who hold shares in electronic form and want to change / correct the bank account details should send the same immediately to their concerned DPs and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by NSDL/CDSL to the Company.
- (c) To avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company under the signature of the Sole / First Joint holder, the following information, so that the bank account number and name and address of the bank can be printed on the dividend warrants:
 - 1. Name of Sole / First Joint holder and Folio number.
 - 2. Particulars of bank account, viz.
 - i) Name of bank
 - ii) Name of branch
 - iii) Complete address of bank with PINCODE

- iv) Account type, whether Saving or Current Account
- v) Bank Account Number

13. Depository System

The Company has entered into agreements with NSDL and CDSL. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.

The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

- 14. As per the provisions of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form 2B prescribed by the Government from the Company's Secretarial Department at its Registered Office or its RTA or can be downloaded from its website viz. www.ultratechcement.com. Members holding shares in electronic form are required to approach their DPs for the nomination.
- 15. Disclosure pursuant to Clause 49 of the Listing Agreement relating to the Directors seeking re-appointment/ appointment at the meeting is attached hereto.
- 16. The Annual Report of the Company for the year 2011-12, circulated to the

Members of the Company, is available on the Company's website viz. www.ultratechcement.com. The annual accounts of the Company's subsidiary companies and the related information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.

- 17. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
- 18. The Ministry of Corporate Affairs, (MCA) Government of India, through its Circular Nos.17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, respectively, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in corporate governance.

A recent amendment to the Listing Agreement with stock exchanges also permits sending the aforesaid documents through electronic mode to Members who have registered their email address with the Company for this purpose.

The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA. A 'Green Initiative' Form can be downloaded from the Company's website viz. www.ultratechcement.com to register the email ID.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956:

Item no. 7

M/s. Haribhakti & Co, Chartered Accountants, Mumbai were appointed as Branch Auditors of the Company's Units at Jafrabad and Magdalla in Gujarat and Ratnagiri in Maharashtra at its Eleventh Annual General Meeting.

The Board of Directors of the Company ("the Board") have on the recommendation of the Audit Committee proposed that M/s. Haribhakti & Co., Chartered Accountants, Mumbai be re-appointed as Branch Auditors of the Company, to audit the Accounts of the Company's Units at Jafrabad and Magdalla in Gujarat and Ratnagiri in Maharashtra and to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

Further, the Company may acquire new Units in India or abroad in future and it may be necessary to appoint Branch Auditors for carrying out the audit of the accounts of such Units. Your consent is being sought for authorising the Board to appoint Branch Auditors in respect of such Units in consultation with the Statutory Auditors and to fix their remuneration.

The resolution as set out in Item no. 7 of this Notice is accordingly commended for your acceptance.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item no. 8

Mr. M. Damodaran was appointed Additional Director on the Board of the Company with effect from 16th April, 2012 to hold office only upto the date of ensuing Annual General Meeting. Mr. Damodaran is a business executive and former government official. He

served as the Chairman of the Securities and Exchange Board of India (SEBI), India's financial market regulator, from February, 2005 to February, 2008. His initiatives at SEBI have resulted in India's financial markets being recognised as being amongst the best regulated in the world.

His prior appointments include Chairman of IDBI and UTI. Earlier, he was Joint Secretary (Banking Division), Ministry of Finance. He belongs to the Indian Administrative Service, Manipur-Tripura cadre. He was also Chief Secretary to the Government of Tripura.

Mr. Damodaran holds degrees in Economics and Law from the Universities of Madras and Delhi respectively. He is presently an independent consultant and corporate advisor, coach and mentor.

Considering his vast experience, his presence on the Board will be of immense value to the Company.

The resolution as set out in item no. 8 of this Notice is accordingly commended for your acceptance.

None of the Directors except Mr. M. Damodaran is interested in the said resolution.

Item no. 9

Mr. O. P. Puranmalka was appointed as the Whole-time Director of the Company pursuant to Section 269 and other applicable provisions of the Companies Act, 1956 for a period of 5 years with effect from 1st April, 2010 in accordance with Resolution Number 10 passed by the Members at the Annual General Meeting held on 29th July, 2010 on the terms and conditions as set out therein.

Considering the increase in the business activities and responsibilities of the Whole – time Director, the Board of Directors of the Company has deemed fit to increase the ceiling limits in respect of the Basic Salary, Special Allowance and Variable Pay payable to Mr. Puranmalka. The other terms and conditions of his appointment and

remuneration remain the same as approved by the Members at the Annual General Meeting held on 29th July, 2010 with corresponding consequential variations or increase in the remuneration due to the revision in the terms of his remuneration as aforesaid. The revised remuneration will be effective from 1st July, 2012.

The resolution as set out in item no. 9 of this Notice is accordingly commended for your acceptance.

None of the Directors except Mr. O. P. Puranmalka is interested in the said resolution.

By Order of the Board



S. K. Chatterjee Company Secretary

Place: Mumbai

Date: 23rd April, 2012

Disclosure pursuant to Clause 49 of the Listing Agreement relating to Directors seeking re-appointment / appointment at the Annual General Meeting:

Name of Director	Mr. G.M. Dave	Mr. Kumar Mangalam Birla	Mr. S.B. Mathur	Mr. M. Damodaran
Date of Birth	12 th July, 1938	14 th June, 1967	11th October, 1944	4 th May, 1947
Date of Appointment	7 th July, 2006	14 th May, 2004	10 th September, 2008	16 th April, 2012
Expertise in specific General Functional area	Advocate & Corporate Advisor	Industrialist	Company Executive	Business Executive
Qualification	M. Com, LLB, CAIIB	ACA, MBA	B. Com., F.C.A., ICWA Part I & II London	B.A. (Economics), LLB.
List of outside Directorships held (Public Limited Companies)	1. Aditya Birla Chemicals (India) Ltd. 2. Aditya Birla Retail Ltd. 3. Camphor & Allied Products Ltd. 4. Cinemax India Ltd. 5. Grasim Bhiwani Textiles Ltd. 6. PCS Technology Ltd. 7. Vinati Organics Ltd.	Aditya Birla Nuvo Ltd. Birla Sun Life Asset Management Co. Ltd. Birla Sun Life Insurance Company Ltd. Century Textiles and Industries Ltd. Grasim Industries Ltd. Hindalco Industries Ltd. Idea Cellular Ltd. Pilani Investment & Industries Corporation Ltd.	Axis Bank Ltd. Cholamandalam MS General Insurance Co. Ltd. DCM Sriram Industries Ltd. General Insurance Corporation of India Havells India Ltd. HDIL Ltd. Hindustan Oil Exploration Company Ltd. IL&FS Ltd. ITC Ltd. India Ltd. Anational Collateral Management Services Ltd. ItAtional Stock Exchange of India Ltd. India Ltd.	Hero MotoCorp Ltd. Hindalco Industries Ltd. ING Vysya Bank Ltd. RSB Transmissions India Ltd. Sobha Developers Ltd. S. Kumars Nationwide Ltd. Tech Mahindra Ltd. TVS Automobile Solutions Ltd.
Chairman / Member of the Committee of the Board of Directors of the Company	Audit Committee - Member Share Transfer and Shareholders / Investors Grievance Committee - Member	-	Corporation Ltd.	
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director a) Audit Committee	1. Aditya Birla Retail Ltd Chairman 2. Vinati Organics Ltd Chairman 3. Camphor & Allied Products Ltd Member 4. Cinemax India Ltd Member 5. Grasim Bhiwani Textiles Ltd Member 6. PCS Technology Ltd Member	-	1. Axis Bank Ltd. – Chairman 2. General Insurance Corporation of India – Chairman 3. ITC Ltd. – Chairman 4. Cholamandalam MS General Insurance Co. Ltd. – Member 5. DCM Sriram Industries Ltd. – Members 6. Havells India Ltd. – Member 7. Hindustan Oil Exploration Company Ltd. – Member 8. Orbis Financial Corporation Ltd. – Member	Tech Mahindra Ltd. – Chairman Hero MotoCorp Ltd. – Member .
b) Shareholders Committee	-	-	1. Axis Bank Ltd Member	Hero MotoCorp Ltd. – Member

Note: 1. Pursuant to Clause 49 of the Listing Agreement, only two committees viz. Audit Committee and Shareholders Committee have been considered.

^{2.} The number of shares held by the Directors in the Company are disclosed in the Report on Corporate Governance which forms part of this Annual Report.

Particulars	Units	2011-12	2010-11	2009-10	2008-09	2007-08
PRODUCTION (Quantity)						
- Clinker	Mn.T	31.31	26.75	15.55	15.07	14.35
- Cement	Mn.T	39.43	32.92	17.64	15.87	15.07
SALES (Quantity)						
- Clinker	Mn.T	0.97	1.56	2.46	2.38	2.09
- Cement	Mn.T	39.77	33.23	17.77	15.80	15.02
PROFIT & LOSS ACCOUNT						
Gross Sales	₹ Crs	20,433	14,855	7,729	7,160	6,286
Excise duty	₹ Crs	2,267	1,649	679	777	777
Net Sales	₹ Crs	18,166	13,206	7,050	6,383	5,509
Operating Expenses	₹ Crs	14,166	10,646	5,078	4,679	3,783
Operating Profit	₹ Crs	4,000	2,560	1,972	1,704	1,726
Other Income	₹ Crs	519	262	122	106	101
EBITDA	₹ Crs	4,519	2,822	2,094	1,810	1,827
Depreciation / Amortisation	₹ Crs	903	766	388	323	237
EBIT	₹ Crs	3,617	2,056	1,706	1,487	1,589
Interest	₹ Crs	224	273	118	126	82
Profit Before Tax	₹ Crs	3,393	1,783	1,588	1,361	1,507
Provision for Current Tax	₹ Crs	939	382	387	198	510
Provision for Deferred Tax	₹ Crs	8	(3)	108	181	(17)
Fringe Benefit Tax	₹ Crs	-	-	-	6	6
Net Earnings	₹ Crs	2,446	1,404	1,093	977	1,008
Cash Earnings before Exceptional items	₹ Crs	3,356	2,167	1,589	1,481	1,228
Dividend	₹ Crs	219	164	75	62	62
Dividend distribution tax	₹ Crs	36	27	12	11	11
Dividend (incl. Dividend tax)	₹ Crs	255	191	87	73	73
BALANCE SHEET ¹						
Net Fixed Assets including CWIP	₹ Crs	14,798	12,506	5,201	5,313	4,784
Investments	₹ Crs	3,789	3,730	1,670	1,035	171
Current Assets	₹ Crs	4,357	3,759	1,472	1,372	1,304
Current Liabilities	₹ Crs	4,195	3,454	1,299	1,253	1,279
Net Current Assets	₹ Crs	162	305	173	119	25
Capital Employed	₹ Crs	18,748	16,541	7,044	6,467	4,980
Net Worth represented by:-						
Equity Share Capital	₹ Crs	274	274	124	124	124
Employee Stock Options Outstanding	₹ Crs	5	5	2	2	1
Reserves & Surplus	₹ Crs	12,581	10,387	4,482	3,476	2,572
Net Worth	₹ Crs	12,860	10,6 <mark>66</mark>	4,609	3,602	2,697
Loan Funds ²	₹ Crs	4,151	4,145	1,605	2,142	1,741
Deferred Tax Liabilities	₹ Crs	1,738	1,730	831	723	542
Capital Employed	₹ Crs	18,748	16,541	7,044	6,467	4,980
RATIOS & STATISTICS	/					
EBITDA Margin	%	25	21	30	28	33
Net Margin	%	13	11	16	15	18
Interest Cover (EBITDA/Interest)	Times	17.27	10.24	15.38	14.66	19.94
ROCE (PBIT/Average Capital Employed)	% :	20	16	25	26	36
Current Ratio	Times	1.04	1.09	1.13	1.09	1.02
Debt Equity Ratio	Times	0.32	0.39	0.35	0.59	0.65
Dividend per share	₹ / Share	8.00	6.00	6.00	5.00	5.00
Dividend Payout on Net Profit (Before exceptional items)	%	10	14	8	70.40	7
EPS	₹ / Share	89.26	62.74	87.82	78.48	80.94
Cash EPS before exceptional items	₹ / Share	122.48	95.14	127.65	118.94	98.66
Book Value per share No.of Equity Shares	₹ / Share Nos. Crs.	469 27.41	389 27.40	370 12.45	289 12.45	217 12.45

^{1.} Balance Sheet for FY 12 and FY11 have been published in formats prescribed as per revised Shedule VI of the Companies Act, 1956 whereas data for the period upto FY 10 are as per old Shedule VI. For better comparision with earlier years, some figures have been regrouped.

² Short-Term Borrowings and Current maturities of Long-Term Borrowings have been included in Loan Funds excluding the same from Current Liabilities.

OVERVIEW

The impact of the socio-economic turmoil across geographies - uprising in the Middle East and North Africa, slowdown in the euro zone consequent to the sovereign debt crisis, among others, continued to be felt during FY12. Moreover, volatility in commodity prices, disruption in the supply chain on account of the tsunami in Japan and the floods in Thailand and the overall uncertainty continued to plague business globally, slowing recovery, both in mature and emerging markets.

These developments have impacted emerging economies including India. The Indian economy saw moderate growth primarily on account of rising fiscal deficit, continuing high inflation and high interest rate regime. Huge exchange rate volatility, continuing rise in energy cost and slowdown in reforms were the other dampeners. As a result, GDP of 6.5% during the year was the lowest in the last nine years. The Government is continuously monitoring its fiscal policy with a view to reviving and maintaining growth.

The Indian cement industry was also affected due to these developments. However, recovery in demand from November, 2011 resulted in a growth of 9.6% in H2FY12 as compared to 4% in H1FY12. This enabled industry achieve an annual growth of 7% as against 5.7% in the previous year. Nonetheless, the surplus scenario continued and sector capacity utilisation hovered around 73%. Operating costs, particularly that of energy and freight increased substantially. This is attributable to the over 30%-150% hike in price of domestic coal by Coal India, increase in price of imported coal coupled with depreciation of the rupee and escalation in diesel cost.

Going forward, on the back of the Government's focus on housing and infrastructure together with the enhanced capital allocation towards infrastructure in the 12th Five year plan, industry demand is likely to grow over 8%.

On account of the amalgamation of erstwhile Samruddhi Cement Limited ("Samruddhi") with your Company w.e.f. 1st July, 2010, the figures for FY11 are recasted so as to include Samruddhi's figures for the period 1st April, 2010 to 30th June, 2010 for a better understanding. For the purpose of comparison, the recasted figures have been used in this Management Discussion and Analysis.

PERFORMANCE REVIEW

- Capacity Utilisation

	FY12 (Reported)	FY11 (Recasted)	FY11 (Reported)	% change over FY11 (Recasted)
Installed capacity (MMTPA):				
Clinker	36.20	36.20	36.20	-
Grey Cement	48.75	48.75	48.75	-
Production:				
Clinker (MMT)	31.31	30.80	26.75	2
Grey Cement (MMT)	39.43	38.22	32.92	3
White Cement (LMT)	0.55	0.54	0.41	2
Wall Care Putty (LMT)	0.37	0.30	0.23	24
Capacity Utilisation: Clinker capacity utilisation*	87%	85%	84%	2
Grey cement effective capacity utilisation®	83%	82%	81%	1

- clinker capacity utilisation based on period of new capacity in operations
- @ effective capacity utilisation: cement production + clinker sold, based on period of new capacity in operation

Clinker and cement production grew by 2% and 3% respectively. Your Company's effective cement capacity utilisation was 83% as compared to estimated industry capacity utilisation of 73%. Your Company produced 0.55 LMT of white cement and 0.37 LMT of wall care putty as against 0.54 LMT of white cement and 0.30 LMT of wall care putty in FY11.

- Sales Volume

	FY12 (Reported)	FY11 (Recasted)	FY11 (Reported)	% change over FY11 (Recasted)
Sales Volume (MMT):				
Domestic				
Cement (Grey)	39.06	37.74	32.67	4
Clinker	0.19	0.10	0.09	90
Total	39.25	37.84	32.76	4
Exports -				
Cement (Grey)	0.71	0.55	0.55	29
Clinker	0.78	1.35	1.35	(42)
Total	1.49	1.90	1.90	(22)
Total Sales				
Volume	40.73	39.74	34.67	2
White Cement (LMT)	0.56	0.55	0.41	2
Wall Care Putty (LMT)	0.37	0.29	0.23	26

Your Company's domestic cement sales volume is up by 4% from 37.7 MMT to 39.1 MMT. The growth was lower compared to the industry growth of 7% mainly due to the lower off take in southern markets and logistic constraints relating to your Company's Unit in West India.

The aggregate sales volume of white cement and wall care putty was 0.93 LMT. It was 0.84 LMT in the previous year.

- Sales Realisation (Net of Excise Duty)

	FY12 (Reported)	FY11 (Recasted)	FY11 (Reported)	% change over FY11 (Recasted)
Average Realisation (₹/MT)	3,835	3,351	3,322	14
Domestic-Cement	3,903	3,433	3,415	14
Exports - Cement	2,888	2,905	2,905	(1)
- Clinker	2,125	1,551	1,551	33

The increase in domestic realisation is linked to improved demand and efforts to pass on the increase in input and energy cost. During the year, variable costs increased by 13% on various fronts: (i) energy cost - on account of full impact of increase in domestic coal prices by 30% - 150% in March, 2011; (ii) input material – given the increase in HSD prices in June, 2011; (iii) increase in railway freight by 22% in March, 2012, among others.

- Financial Highlights

(₹ in Crores)

	FY12 (Reported)	FY11 (Recasted)	FY11 (Reported)	% change over FY11 (Recasted)
Net Turnover	18,166	15,406	13,206	18
Domestic	17,780	15,017	12,821	18
Exports	386	389	389	(2)
Other Income	519	299	262	74
Total Expenditure	14,166	12,252	10,646	(16)
Operating Profit (PBIDT)	4,519	3,453	2,822	31
Operating Margin (%)	25	22	21	3
Depreciation	902	877	766	(3)
Profit Before Interest and Tax (PBIT)	3,617	2,576	2,056	40
Interest	224	324	273	31
Profit Before Tax	3,393	2,252	1,783	51
Tax Expenses	947	533	379	(78)
Net Profit after Tax	2,446	1,719	1,404	42

Net Turnover

Net Turnover registered a growth of 18%, up from ₹ 15,406 crores in FY11 to ₹ 18,166 crores, on account of improved realisation and sales volume. Your Company's Ready Mix Concrete (RMC) and white cement business also contributed in achieving sales growth. The RMC turnover increased from ₹ 1,361 crores to ₹ 1,696 crores, an increase of 25%, linked to higher sales volume and improved realisation. The White Cement turnover recorded growth of 22% from ₹ 977 crores in the previous year to ₹ 1,188 crores. This was driven by the improved performance of wall care putty and white cement.

Other Income

Other income rose from ₹ 299 crores to ₹ 519 crores mainly led by higher treasury income due to better yield and higher average investments and fiscal incentives in the form of subsidies for new Units.

Operating Profit (PBIDT) and Margin

Enhanced margins were the result of improved capacity utilisation, continuous monitoring of fuel mix and efforts to pass on increase in costs. Operating costs were affected mainly on account of the following:

(i) Energy cost

Energy costs increased by 18%, from ₹ 838/t in FY11 to ₹ 994/t in FY12. The full effect of increase in domestic coal prices in March'11 was felt during the year. Further, use of linkage coal is continuously declining as a result of short receipt of coal against the allotted quantity. Landed cost of imported coal was also higher on account of rupee depreciation. The rise in furnace oil prices adversely impinged upon the energy cost of the white cement business.

Concerted efforts to optimise fuel mix and power consumption and use of pet-coke in some of its operations enabled your Company to contain the cost increases. Your Company also purchased power for some of its Units through the energy exchanges, where costlier DG power was being consumed. Your Company regularly uses alternative fuels for its operations. This aids in its environmental conservation efforts significantly.

(ii) Raw material cost

Raw material cost relating to grey cement extended by 5% from ₹ 332/t in the previous year to ₹ 350/t. Landed prices of major raw materials increased on account of increase in diesel prices. Prices of additives viz., Fly Ash, Gypsum, Slag, Iron Ore and Bauxite also escalated in the range of 5%-30%.

(iii) Freight and Handling expenses

Domestic cement freight magnified by 9% from ₹ 748/t in previous year to ₹ 819/t. The increase was mainly on account of higher diesel prices, busy season surcharge and development surcharge imposed by the railways.

With a view to keep freight and handling expenses in check, your Company focuses on reducing overall lead distance and aligning the rail and road mix wherever possible.

(iv) Employee cost

Employees cost amplified by 9%, which is mainly linked to annual performance pay.

Depreciation

Higher depreciation at ₹ 902 crores compared to ₹ 877 crores in the previous year is linked to capitalisation of new assets amounting to ₹ 1,142 crores.

Interest & Finance charges

Gross level interest remained flat. However net interest charges reduced from ₹ 324 crores to ₹ 224 crores on account of higher capitalisation and accrual of interest subsidy. During the year interest amounting to ₹ 43 crores was capitalised on ongoing capacity expansion as compared to ₹ 3 crores in the previous year. Your Company received interest subsidy of ₹ 65 crores in terms of State Investment Promotion Scheme, which has been adjusted from Gross Interest.

Income Tax

Income tax expenses heightened mainly due to higher profitability. Tax provision in FY11 was after accounting for reversal of tax provision related to earlier years to the extent of ₹ 126 crores as compared to ₹ 10 crores in the current year.



Your Company's Ready Mix Concrete Unit at Vijaywada

Net profit was at ₹ 2,446 crores, compared to ₹ 1,719 crores in previous year.

Cash Flow Statement

(₹ in Crores)

	FY12 (Reported)	FY11 (Reported)
Sources of Cash		
Cash from operations	3,442	2,187
Non-operating cash flow	298	141
Proceeds from issue of share capital	2	1
Increase in borrowings	6	1
Decrease in working capital	1	
Total	3,749	2,330
Uses of Cash		
Net capital expenditure	3,165	1,207
Increase in investments	59	542
Interest	291	294
Dividend	191	141
Increase in working capital	-	152
Total	3,706	2,336
Increase / (Decrease) in cash & cash equivalents	43	(6)

Sources of Cash

Cash from operations

Cash from operations rose as a result of increased operations post amalgamation of Samruddhi with your Company and improved earnings.

Non-Operating Cash Flow

Higher non-operating income related to higher yield on liquid investments and higher average investment portfolio.

Uses of Cash

Net Capital Expenditure

Capital expenditure of ₹ 3,165 crores has been incurred for the on-going capacity expansion and various capex initiatives in pipeline at your Company's Units.

Increase in Investments

Your Company invests temporary surplus funds in various debt schemes of Mutual Funds.

CONSOLIDATED PERFORMANCE

(₹ in Crores)

	FY12 (Reported)	FY11 (Recasted)	FY11 (Reported)
Net Turnover	19,086	15,887	13,687
Operating Profit (PBIDT)	4,565	3,482	2,850
Interest	257	343	292
Gross Profit (PBDT)	4,308	3,139	2,558
Depreciation	963	925	813
Profit Before Tax	3,345	2,214	1,745
Tax Expenses	948	538	384
Net Profit before Minority interest	2,397	1,676	1,361
Minority Interest	(6)	(6)	(6)
Net Profit after Minority Interest	2,403	1,682	1,367

The consolidated performance factors the performance of your Company's subsidiaries both in India and abroad. Operations at your Company's subsidiary in the Middle-East and Bangladesh have been integrated with your Company. Efforts towards operations and cost optimisation have started yielding results.

CAPITAL EXPENDITURE PLAN

Your Company has earmarked around ₹ 10,400 crores towards capex. Of this, nearly ₹ 3,200 crores has been already spent and the remaining will be spent over the next two years. This is on capacity expansions at Karnataka and Chhattisgarh, setting up of grinding units, packaging terminals, RMC plants and waste heat recovery systems across various locations apart from other normal modernisation capex. These projects are on track and are expected to be operational from early FY14.



Clinkerisation Unit at Ras-AL-Khaimah (UAE)

HUMAN RESOURCES

The human resource philosophy and strategy of your Company has been designed to attract and retain the best talent, creating a workplace environment that keep employees engaged, motivated and encourages innovation. This talent has, through strong alignment with your Company's vision, successfully built and sustained your Company's standing as one of India's most admired and valuable corporations.

Your Company has fostered a culture that rewards continuous learning, collaboration and development, making it future - ready with respect to the challenges posed by ever - changing market realities. Employees are your Company's most valuable assets and your Company's processes are designed to empower employees and support creative approaches in order to create enduring value. Your Company's unflagging commitment to investing in talent development ensures performance and achievement of the highest order.

Driven by its socially conscious parent Group, your Company stays committed to the cause of giving back to the environment and society. The

Company continues to drive efforts towards environment sustainability by reducing carbon footprint and energy consumption. Your Company also associates itself with several social causes and empowers its employees to contribute to the society through online monthly payroll contribution and regular CSR activities reaching out to the less privileged.

Your Company maintains a cordial relationship with its employees. Its emphasis on safe work practices and productivity improvement is unrelenting.

Your Company has a committed 12,089 employee force (11,509 employees).

RISK MANAGEMENT

Risk management is an important element of planning for businesses. The process of risk management is designed to reduce certain kinds of events happening or having an impact on the business. Broadly, risk management should create value by supporting growth, be an integral part of organisational processes, be part of decision making, explicitly address uncertainty and assumptions, be capable of continual

improvement and enhancement and be continually or periodically re-assessed.

Your Company's risk management procedures have been institutionalised and embedded in the business systems. These are monitored and reviewed in an ongoing way. The Audit Committee reviews the risk mitigation plans on a periodic basis.

Your Company has identified the following as key risks:

Securing critical resources

Securing limestone reserves, sourcing coal and acquiring land for its expansion program present huge challenges. Though your Company has sufficient limestone reserves, it continues to explore possibilities for further augmentation.

Entering into long term contracts, securing coal blocks are continuously on your Company's radar. Your Company is also making efforts to increase the use of alternative fuels in its operations.

Acquisition of land for your Company's expansion program is emerging as a major challenge, both in terms of time and cost. Your Company's CSR activities and delivering societal value will stand it in good stead in this regard.

Grow market share profitably

Growing competition from existing players as well as the entry of new entities may have a bearing on the market share. The surplus scenario is likely to continue over the next two to three years. To address these risks your Company is working on increasing its volume growth by further penetration into rural markets, entering new markets, continuously improving service standards, enhancing its over all brand equity across all zones, strengthening logistics infrastructure and cost optimisation.

Compliance

Growth in business coupled with increasing regulatory enactments has also brought in additional compliances. Non-compliance not only results in stiff penalties but also damage of one's reputation and goodwill. Your Company monitors and reviews changes in the regulatory framework on a regular basis and ensures compliance with all applicable laws.



Cement Unit in Andhra Pradesh

Financial risk

The prevailing economic uncertainty resulting in huge volatility in forex, interest, treasury yield and commodity prices may adversely affect your Company's finance performance. Your Company has in place policies for forex hedging, treasury and liquid investment, interest rate policy and coal hedging. These provide for overall financial risk management and are reviewed on a regular basis.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company's internal control system is commensurate with its size of operations. Standard operating procedures are in place for critical areas of operations. Clearly defined roles and responsibilities have been institutionalised. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations.

The implementation of the internal control systems across your Company is monitored by the Internal Auditors. The Audit Committee reviews the Internal Audit Reports and suggest improvements.

CONCLUSION

The outlook for the cement industry is challenging and is linked to GDP growth. The Government's efforts for inclusive growth should drive demand. However rising fiscal deficit is a matter of concern.

Though 2011-12 was challenging for the Indian cement sector, demand growth for the sector is likely to bounce back given the positive outlook of the general construction and infrastructure sector. The Government needs to support the cement industry in reviving its fortune through initiatives like reducing the tax burden, providing incentives and ensuring availability of coal.

CAUTIONARY STATEMENT:

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance broadly refers to the rules, processes or laws by which businesses are operated, regulated, and controlled. It involves a set of relationships between a Company's management, its board and its stakeholders.

Corporate Governance at the Aditya Birla Group is a continuing process. The Group is committed to the adoption of best governance practices and their adherence in true spirit at all times.

Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

In terms of Clause 49 of the Listing Agreement executed with stock exchanges, the details of compliance are as follows:

I. BOARD OF DIRECTORS

Composition

Your Company's Board comprises of 12 (twelve) Directors, which include the Whole-time Director and 7 (seven) Independent Directors. The details of the Directors with regard to outside directorships and committee positions are as follows:

Name of Director	Executive/ Non-Executive/ Independent ¹	No. of outside directorship(s) held²	No. of outside committee position(s) held ³		
		Public	Chairman	Member	
Kumar Mangalam Birla	Non-Executive	9	-	-	
Mrs. Rajashree Birla	Non-Executive	6	_	1	
R. C. Bhargava	Independent	9	4	4	
M. Damodaran ⁴	Independent	8	1	2	
G. M. Dave	Independent	7	2	4	
Ade <mark>sh Gupta</mark>	Non-Executive	9	-	3	
Nirm <mark>alya Kumar</mark>	Independent	-	_	-	
S. B. Mathur	Independent	13	3	6	
V. T. Moorthy	Independent	1	_	-	
S. Rajgo <mark>pal</mark>	Independent	1		_	
D. D. Rat <mark>hi</mark>	Non-Executive	1	-	1	
O. P. Puranmalka	Whole-time Director	1	_	-	

- 1. Independent Director means a Director as defined under Clause 49 of the Listing Agreement.
- 2. Excluding alternate directorships and directorships in private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 ("the Act").
- 3. Only two committees viz. the Audit Committee and the Shareholder / Investor Grievance Committee of all public limited companies are considered.
- 4. Mr. M. Damodaran appointed as an Additional Director w.e.f. 16th April, 2012.
- 5. No Director is related to any other Director on the Board, except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.

Non-Executive Directors' compensation and disclosures

Sitting fees / commission paid to the Non-Executive Directors and Independent Directors are approved by the Board of Directors and have shareholder's approval. The details of sitting fees / commission paid / to be paid to the Non-Executive Directors and Independent Directors are given separately in this Report.

Other provisions as to Board and Committees

The number of Board meetings held during the year under review, dates on which held and number of Directors present are as follows:

Date of Board meetings	Board strength	No. of Directors present
26 th April, 2011	12	10
27 th July, 2011	12	11
20 th October, 2011	12	9
21st January, 2012	12	11

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board.

The Board has unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the meeting with the permission of the Chairman. All relevant information as required under the Listing Agreement with stock exchanges is regularly placed before the Board. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

The details of attendance of each Director at the Board meetings and the last Annual General Meeting (AGM) are as follows:

Name of Director	No. of Boar	d meetings	Attended last AGM [®]
	Held	Attended	
Kumar Mangalam Birla	4	4	Yes
Mrs. Rajashree Birla	4	3	Yes
R. C. Bhargava	4	4	No
M. Damodaran ¹	4	N.A.	N.A.
G. M. Dave	4	3	Yes
Adesh Gupta	4	4	Yes
N. J. Jhaveri ²	4	4	Yes
Nirm <mark>alya Kumar</mark>	4	3	Yes
S. B. Mathur	4	2	No
V. T. Moorthy	4	3	Yes
S. Rajgo <mark>pal</mark>	4	3	Yes
D. D. Rat <mark>hi</mark>	4	4	Yes
O. P. Puran <mark>malka</mark>	4	4	Yes

[@] AGM held on 9th September, 2011 at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai – 400 020.

Code of Conduct

The Board of Directors have laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is posted on your Company's website www.ultratechcement.com.

All Board members and senior management personnel have confirmed compliance with the Code. A declaration signed by the Whole-time Director is attached and forms part of this Annual Report.

^{1.} Mr. M. Damodaran appointed as an Additional Director w.e.f. 16th April, 2012.

^{2.} Mr. N. J. Jhaveri resigned as Director w.e.f. 4th April, 2012.

Composition, meetings, attendance during the year and sitting fees paid

The Audit Committee of the Board comprises three Non-Executive Independent Directors. The members of the Audit Committee are financially literate. The composition of the Audit Committee meets the requirements of Section 292A of the Act and Clause 49 of the Listing Agreement.

During the year, the Audit Committee met 6 times to deliberate on various matters. The meetings were held on 26th April, 2011; 12th May, 2011; 27th July, 2011; 20th October, 2011; 21st January, 2012 and 14th March, 2012.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of	meetings	Sitting fees paid (₹ in lacs)
	Held	Attended	
R. C. Bhargava	6	6	1.20
G. M. Dave	6	5	1.00
S. Rajgopal	6	5	1.00

Mr. R. C. Bhargava is the Chairman of the Committee.

Permanent Invitees

Mr. D. D. Rathi - Director of your CompanyMr. K. C. Birla - Chief Financial Officer of your Company.

The Statutory and Internal Auditors of your Company attend the Audit Committee meetings.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting.

Powers

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.

 To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role

- Oversight of your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and Cost Auditor and the fixation of audit fees.
- 3. Approval of payment to Statutory Auditors for any other services rendered by them.
- 4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- 6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for purposes other than those stated in the offer

document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

- 7. Reviewing with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 9. Discussion with Internal Auditors any significant findings and follow up there on.
- 10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.

The Audit Committee reviews the following information

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- 3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors, if any;
- 4. Internal audit reports relating to internal control weaknesses;

- 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
- Risk Management policy of your Company.

During the year, the Committee has reviewed the internal controls put in place to ensure that the accounts of your Company are properly maintained and that the financial transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company.

The Committee has also reviewed the procedures laid down by your Company for assessing and managing risks.

III. SUBSIDIARY COMPANY

Your Company does not have any material non listed Indian subsidiary company. The Audit Committee and Board reviews the minutes, financial statements, significant transactions and working of the unlisted subsidiary companies. Your Company has unlisted subsidiary companies in India, Sri Lanka, Middle East, Indonesia, South Africa and Mozambique. The financial results of these companies are presented to your Company's Board.

IV. DISCLOSURES

 Disclosures on materially significant related party transactions that may have potential conflict with the interests of your Company at large

The transactions with related parties entered into by your Company in the normal course of business are placed before the Audit Committee.

Particulars of related party transactions are listed out in Note 37 of the Accounts. However, all these transactions are on normal commercial arm's length basis.

Disclosure of Accounting treatment

Your Company has followed all relevant Accounting Standards while preparing the financial statements.

• Risk Management

Your Company has in place a Risk Management programme which is monitored

on a continuous basis. The Audit Committee reviews the efficacy of the Risk Management process, the key risks associated with the business of your Company and the measures in place to mitigate the same.

The Management Discussion and Analysis Report sets out the risks identified and the mitigation plans thereof.

Proceeds from public issues, rights issues, preferential issues etc.

During the year, your Company did not raise any funds by way of public, rights, preferential issues etc.

Remuneration of Directors

All decisions relating to the remuneration of the Directors are taken by the Board of Directors of your Company in accordance with the shareholder's approval, wherever necessary. Sitting fees for attending Board and Committee meetings is ₹ 20,000/- per meeting. At the Annual General Meeting held on 29th July, 2010, shareholders approved payment of commission to the Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of your Company. The Board fixes the amount to be paid as commission. For the year 2011 - 2012, the Board has approved payment of ₹ 25 crores as commission to the Non-executive Directors. The amount of commission payable is determined after assigning weightage to attendance, type and significance of the meetings to the overall functioning of your Company.

Details of remuneration paid / to be paid to the Directors for attending Board meetings for the year under review and their shareholding in your Company are as under:

Name of Director	Sitting fees paid (₹ in lacs)	Commission payable (₹ in lacs)	No. of shares held
Kumar Mangalam Birla	0.80	2,250.00	14,065
Mrs. Rajashree Birla	0.60	138.00	41,701
R. C. Bhargava	0.80	38.00	129
M. Damodaran ¹	Nil	Nil	-
G. M. Dave	0.60	22.00	5
Adesh Gupta ²	0.80	1.00	619
N. J. Jhaveri ³	0.80	1 <mark>2.00</mark>	-
Nirm <mark>alya Kumar</mark>	0.60	9.00	-
S. B. Mathur	0.40	6.00	257
V. T. Moorthy	0.60	1.00	634
S. Rajgo <mark>pal</mark>	0.60	22.00	-
D. D. Rat <mark>hi</mark>	0.80	1.00	57
O. P. Puranmalka	Nil	Nil	304

- 1. Mr. M. Damodaran appointed as an Additional Director w.e.f 16th April, 2012.
- 2. During the year, 1,563 stock options vested in Mr. Adesh Gupta on 8th September, 2011 which can be exercised within a period of five years from the date of vesting.
- 3. Mr. N. J. Jhaveri resigned as Director w.e.f. 4th April, 2012.

Whole-time Director	Relationship with other Director	Remuneration during 2011-12					
		All elements of remuneration package i.e. salary, benefits, pensions etc.	Performance linked incentives, alongwith performance criteria (a)	Service contracts, notice period, severance fee	Stock option details, if any		
O. P. Puranmalka	-	₹ 371.77 lacs	₹ 137.87 lacs	See note (b)	See note (c)		

The details of remuneration of the Whole-time Director is as follows:

- (a) Mr. O. P. Puranmalka was paid a sum of ₹ 137.87 lacs towards performance linked incentive for achievement of targets for the year 2010 11.
- (b) Appointment of Mr. O. P. Puranmalka as Whole-time Director is subject to termination by three months notice in writing on either side.
- (c) In terms of your Company's Employee Stock Option Scheme-2006 ("ESOS-2006"), 3,743 stock options have been vested in Mr. O. P. Puranmalka during the year. For further details please refer to Annexure II to the Director's Report to the Shareholders.

All decisions relating to the remuneration of the Whole-time Director is taken by the Board in accordance with the resolution passed by the shareholders of your Company.

Management

- The Management Discussion and Analysis forms part of the Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement.
- No material transaction has been entered into by your Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with interests of your Company.
- Your Company has instituted a comprehensive Code of Conduct in compliance with the SEBI regulations on prevention of insider trading.

Shareholders

- Details of the Directors seeking re-appointment / appointment at the ensuing AGM are provided in the Notice convening the AGM.
- Press Releases and financial results are made available on the website of your Company (<u>www.ultratechcement.com</u>) and also that of the Aditya Birla Group (<u>www.adityabirla.com</u>).

• Share Transfers and Shareholders / Investors Grievance Committee

Composition, meeting, attendance and sitting fees paid during the year

A "Share Transfer and Shareholder / Investor Grievance Committee" has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director.

During the year the Committee met on 26th April, 2011; 20th October, 2011 and 21st January, 2012. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of	meetings	Sitting fees paid (₹ in lacs)
	Held	Attended	
R. C. Bhargava	3	3	0.60
G. M. Dave	3	3	0.60
D. D. Rathi	3	3	0.60

Mr. R. C. Bhargava chaired the meetings of the Committee. The Company Secretary acts as Secretary to the Committee and is also the Compliance Officer.

Your Company's shares are compulsorily traded in the dematerialised form. To expedite

transfers in the physical segment, necessary authority has been delegated by your Board to Director(s) and Officers of your Company to approve transfers / transmissions of shares / debentures. Details of share transfers / transmissions approved by the Directors and Officers are placed before the Board.

Role

The Committee looks into:

- issues relating to share / debenture holders including transfer/transmission of shares/debentures;
- issue of duplicate share/debenture certificates;
- non-receipt of dividend;
- non receipt of annual report;
- non-receipt of share certificate after transfers;
- delay in transfer of shares;
- any other complaints of shareholders.
- Number of shareholders' complaint received so far / number not solved to the satisfaction of shareholders / number of pending complaints

Details of complaints received, number of shares transferred during the year, time taken for effecting these transfers and the number of share transfers pending are furnished in the "Shareholder Information" section of this Annual Report.

 Details of non-compliance by the Company, penalties and strictures imposed on the Company by stock exchanges or the Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter relating to capital markets, during the year

There has been no instance of non-compliance by your Company on any matter related to capital markets during the year under review and hence no strictures / penalties have been imposed on the Company by the stock exchanges or SEBI or any statutory authority.

Voluntary Guidelines – 2009

The Ministry of Corporate Affairs has issued a set of Voluntary Guidelines on 'Corporate Governance' and 'Corporate Social Responsibility' in December, 2009. These guidelines are expected to serve as a benchmark for the Corporate Sector and also help them in achieving the highest standard of corporate governance.

Most of the provisions of these guidelines are in place. The other provisions are being evaluated and your Company will strive to adopt the remaining provisions in a phased manner.

Finance Committee

A "Finance Committee" has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director. During the year, the Committee met on 21st January, 2012. All the Members viz. Mr. R. C. Bhargava, Mr. S. Rajgopal and Mr. D. D. Rathi attended the meeting and were paid sitting fees of ₹ 20,000/- each.

The Committee is authorised to exercise all powers and discharge all functions relating to working capital management, foreign currency contracts, operation of bank accounts and authorising officers of your Company to deal in matters relating to excise, sales tax, income tax, customs and other judicial or quasi judicial authorities.

ESOS Compensation Committee

The ESOS Compensation Committee constituted for implementing, administering and supervising the Employee Stock Option Scheme – 2006 ("the Scheme") comprises of Mr. Kumar Mangalam Birla, Mr. G. M. Dave and Mr. S. Rajgopal.

During the year, the Committee vested 50,445 stock options to eligible employees, subject to the provisions of the Scheme, statutory provisions including SEBI Guidelines as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further the Committee allotted 23,636 equity shares of ₹ 10/- each of the Company to Option Grantees pursuant to the exercise of stock options under the Scheme.

V. CEO/CFO Certification

The Whole-time Director and Chief Financial Officer of your Company have issued necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is attached and forms part of the Annual Report.

VI. REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Report forms part of the Annual Report. Your Company complies with the provisions of Clause 49 of the Listing Agreement with stock exchanges.

VII. COMPLIANCE

 Certificate from the Statutory Auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with stock exchanges forms part of the Annual Report.

Status of Compliance of Non-Mandatory Requirements

- The Company maintains a separate office for the Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
- 2) The Company does not have a Remuneration Committee. The remuneration of the Directors is decided and approved by the Board of Directors and the Shareholders.
- A half-yearly declaration of financial performance including summary of the significant events in the first half of the financial year under review has been sent to each household of shareholders.
- 4) The statutory financial statements of your Company are unqualified.

VIII. GENERAL BODY MEETINGS

Date and time of the AGMs, held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

2011

Date and time: 9th September, 2011; 3:30 p.m. Place: Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai – 400020

2010

Date and time: 29th July, 2010; 3:30 p.m.

Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400025

Special Resolution passed:

 Approving the payment of commission to the Non – Executive Directors of your Company.

2009

Date and time: 21st July, 2009; 3:30 p.m.

Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400025

Special Resolution passed:

- Keeping of register of members, index of members, register of debentureholders and other related books at new location of your Company's Registrar and Transfer Agent as their office has been shifted due to renovation at the existing premises.
- Whether any special resolution passed last year through postal ballot – No
 - details of voting pattern Not Applicable
 - person who conducted the postal ballot exercise

Not Applicable

 Whether any special resolution is proposed to be conducted through postal ballot and procedure for the same

If required, shall be conducted as per law.

IX. MEANS OF COMMUNICATION

- Quarterly results
 - Which newspapers normally published in:

Newspaper	Cities of Publication		
Business Standard	All editions		
Economic Times	Mumbai and Ahmedabad		
Free Press Journal	<u>Mu</u> mbai		
Navshakti	Mumbai		

- Any website, where displayed www.ultratechcement.com www.adityabirla.com
- Whether your Company's website displays

Yes
Yes (through your Company's holding company)

CODE OF CONDUCT DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

Mumbai 23rd April, 2012 O. P. Puranmalka Whole-time Director

CEO/CFO CERTIFICATION

The Board of Directors
UltraTech Cement Limited

We certify that:

- 1. We have reviewed the financial statement, read with the cash flow statement of UltraTech Cement Limited (the Company) for the year ended 31st March, 2012 and to best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements and other financial information included in this report present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
- 2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
- 3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
- 4. We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies;
- 5. We have indicated to the Auditors and the Audit Committee:
 - a) significant changes in the Company's internal control over financial reporting during the year.
 - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - c) instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

Mumbai 23rd April, 2012 K. C. Birla Chief Financial Officer O. P. Puranmalka Whole-time Director 1. Annual General Meeting

Date and Time
 Thursday, 30th August, 2012, 3:30 p.m.

— Venue : Ravindra Natya Mandir,

P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple,

Sayani Road, Prabhadevi,

Mumbai - 400 025

2. Financial Calendar

• Financial reporting for the quarter ending : End July, 2012

30th June, 2012

Financial reporting for the half year ending
 End October, 2012

30th September, 2012

Financial reporting for the quarter ending : End January, 2013

31st December, 2012

Financial reporting for the year ending : End April, 2013

31st March, 2013

Annual General Meeting for the year ending
 End July/August, 2013

31st March, 2013

3. Dates of Book Closure : 22nd August, 2012 to 30th August, 2012

(both days inclusive)

4. Dividend Payment Date : On or after 31st August, 2012

5. Registered Office : UltraTech Cement Limited

"B" Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East),

Mumbai - 400093 Tel.: (022) 66917800 Fax: (022) 66928109

Email: sharesutcl@adityabirla.com Web: <u>www.ultratechcement.com</u>

www.adityabirla.com

6. (a) Listing Details:

Equity Shares and Non-Convertible Debentures	Global Depository Receipts (GDRs)
BSE Limited Phiroze Jeejeebhoy Towers	Luxembourg Stock Exchange Societe De La Bourse de Luxembourg
Dalal Street, Mumbai - 400001	Mailing address: Societe Anonyme B.P. 165 L-2011 Luxembourg
2. National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400051	Postal address: 11, av de la Porte-Neuve. L-2227, Luxembourg

Note: Listing fees for the year 2012 - 13 has been paid to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Listing fee for the GDRs has been paid to Luxembourg Stock Exchange (LSE) for the calendar year 2012.

(b) Name and address of Trustees for the Debentureholders

: 1. AXIS Bank Limited Axis House,

Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025 Tal: (022) 24255202

Tel: (022) 24255202 Fax: (022) 24251200

2. State Bank of India Mumbai Main Branch,

Accounts 1 Division, 1st Floor, Mumbai Samachar Marg, Fort,

Mumbai - 400001 Tel: (022) 22642332 Fax: (022) 22691088

(c) Overseas Depository for GDRs : Citibank N. A.

Depository Receipt Services 388, 14th Floor, Greenwich Street,

New York; NY-10013 USA Tel: +212-816-6852 Fax: +212-816-6865

(d) Domestic Custodian of GDRs : Citibank N.A.

Custody Services

3rd Floor, Trent House, G Block, Plot No. 60, Bandra Kurla Complex, Bandra (East), Mumbai - 400051

Tel: (022) 40296000 Fax: (022) 26532205

7. Stock Code : ISIN for equity shares - INE481G01011

ISIN for 144A GDRs - US90403E1038 ISIN for Level 1 GDRs - US90403E2028

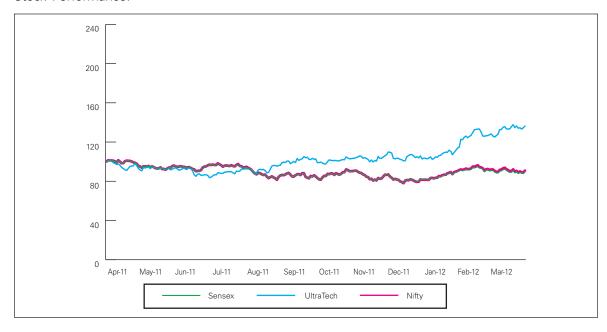
	Stock Code	Reuters	Bloomberg
BSE	532538	ULTC.BO	UTCEM IB
NSE	ULTRACEMCO	ULTC.NS	UTCEM IS
LSE			UTCEM LX

8. Stock Price Data:

	BSE					NSE				LSE*	
	High	Low	Close	Volume	High	Low	Close	Volume	High	Low	Close
		(In ₹)		(In Nos.)		(In ₹)		(In Nos.)	/	(In USD)	
Apr-11	1,135.90	989.00	1,086.80	188,167	1,138.90	1,004.50	1,089.15	3,018,827	-	-	-
May-11	1,095.00	999.10	1,026.20	102,786	1,095.00	997.20	1,025.60	2,435,600	-	-	-
Jun-11	1,054.90	916.40	933.50	99,459	1,051.75	914.00	929.90	1,757,40 <mark>2</mark>	21.33	20.89	20.89
Jul-11	1,038.00	928.90	1,028.80	131,290	1,038.00	917.95	1,029.45	3,063,2 <mark>41</mark>	23.37	20.96	23.28
Aug-11	1,084.70	941.05	1,070.40	263,599	1,085. <mark>95</mark>	948.25	1,070.20	4,504, <mark>224</mark>	23.34	21.54	23.34
Sep-11	1,188.00	1,044.00	1,137.60	185,517	1,19 <mark>8.00</mark>	1,040.00	1,141.60	3,238,806	24.29	22.93	23.04
Oct-11	1,190.00	1,056.95	1,152.45	137,744	1,1 <mark>94.10</mark>	1,065.15	1,152.60	2,229,891	23.85	19.80	23.67
Nov-11	1,204.00	1,093.90	1,143.90	277,644	1, <mark>207.90</mark>	1,095.55	1,148.70	3,039,324	23.53	21.21	21.95
Dec-11	1,228.00	1,103.15	1,160.45	378,733	1,230.00	1,109.95	1,166.50	3,577,098	23.57	21.15	21.89
Jan-12	1,280.50	1,093.75	1,211.25	269,353	1,280.00	1,118.20	1,214.75	2,650,059	24.90	21.62	24.66
Feb-12	1,489.00	1,208.50	1,404.10	466,864	1,494.70	1,212.05	1,406.40	4,658,097	30.10	25.17	28.52
Mar-12	1,542.10	1,356.60	1506.95	258,032	1,544.70	1,375.05	1,514.55	4,258,479	30.19	26.10	29.64

^{*} GDRs listed on LSE w.e.f. 29th June, 2011.

9. Stock Performance:



10. Stock Performance and Returns:

Absolute Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	33.85	174.70	96.16
BSE Sensex	(10.50)	79.27	33.14
NSE Nifty	(9.23)	75.29	38.57

Annualised Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	33.85	40.05	14.43
BSE Sensex	(10.50)	21.48	5.89
NSE Nifty	(9.23)	20.57	6.74

 Registrar and Transfer Agents (RTA) (For share transfers and other communication relating to share certificates, dividend and change of address) : Sharepro Services (India) Private Limited 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400072 Tel: (022) 67720300 / 67720400

Fax: (022) 28591568 / 28508927 Email: utcl@shareproservices.com

12. Share Transfer system:

Share transfer in physical form are registered and returned within a period of 12 days from the date of receipt, if the documents are clear in all respects. Officers of your Company have been authorised to approve transfers upto 5,000 shares in physical form under one transfer deed. One Director jointly with one Officer of your Company have been authorised to approve the transfers exceeding 5,000 shares under one transfer deed.

The RTA attends to investor grievances in consultation with the Secretarial Department of your Company.

Transfer Period		2011-12			2010-11	
(in days)	No. of transfers	No. of shares	%	No. of transfers	No. of shares	%
1 - 15	6	2 <mark>00</mark>	0.43	<mark>75</mark>	1,949	4.25
16 - 20	25	733	1.77	535	16,681	30.35
21 - 30	1,380	4 <mark>0,811</mark>	97.80	1,153	35,907	65.40
Total	1,411	41,744	100.00	1,763	54,537	100.00

Number of pending share transfers as at 31st March, 2012

: 50 transfers in respect of 1,211 shares pending as registered notices have been issued to sellers.

13. Investor Services:

Complaints received during the year

Nature of Complaints	201	1-12	2010-	-11
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission, Dividend, Demat and Change of address etc.	22*	22*	6	6

^{* 1} complaint was pending on 31st March, 2012, which was resolved subsequently.

Legal proceedings on share transfer issues, if any

: There are no major legal proceedings relating to transfer of shares.

14. Distribution of Shareholding as on 31st March:

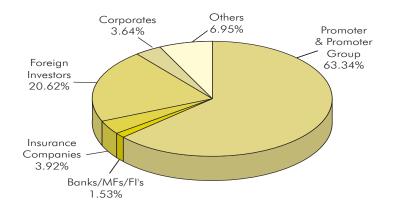
No. of Equity			201	12		2011				
Shares held	No. of share holders	% of share holders		No. of shares held	% of share holding	No. of share holders	sl	of nare Iders	No. of shares	% of share holding
1 - 100	307,692	89.41		81,24,017	2.96	330,634		89.5 <mark>1</mark>	8,740,433	3.19
101 - 200	20,800	6.04		30,16,286	1.10	22,145		6.00	3,210,061	1.17
201 - 500	10,824	3.15		33,41,567	1.22	11,513		3.12	3,550,121	1.30
5 <mark>01 - 1000</mark>	2,879	0.84		19,97,7 <mark>40</mark>	0.73	3,054		0.83	2,118,553	0.77
10 <mark>01 - 5000</mark>	1,457	0.42		26,71, <mark>542</mark>	0.97	1,555		0.42	2,861,580	1.04
5001-10000	123	0.04		8,64,696	0.32	117		0.03	809,383	0.30
10001 & above	344	0.10		254,0 <mark>49,453</mark>	92.70	339		0.09	252,751,534	92.23
Total	344,119	100.00		274, <mark>065,301</mark>	100.00	369,357		100.00	274,041,665	100.00

15. Category of Shareholding as on 31st March, 2012:

Category	No. of share holders	% of share holders	No. of shares held	% of share holding
Promoter & Promoter Group	14	0.00	173,605,057	63.34
Banks/MFs / Fls				
Mutual Fund & UTI	107	0.03	4,0 <mark>78,308</mark>	1.49
Banks & FI's	131	0.04	107,385	0.04
Insurance Companies	32	0.01	10 <mark>,740,811</mark>	3.92
Foreign Investors				
FIIs	457	0.13	<mark>48,62</mark> 6,211	17.74
GDRs	1	0.00	5,523,739 [@]	2.02
NRIs/OCBs	6,869	2.00	2,361,105	0.86
Corporates	2,447	0.71	9,967,926	3.64
Others	334,061	97.08	19,054,759	6.95
Total	344,119	100.00	274,065,301	100.00

^{@ 2,744,168} shares in respect of underlying GDRs held by Promoter and Promoter Group.

Note: 23,636 equity shares of ₹ 10/- each have been allotted to option grantees, during the year, pursuant to the exercise of stock options under the Company's Employees Stock Options Scheme - 2006.



- 16. Dematerialisation of shares and liquidity
- 17. Details on use of public funds obtained in the last three years
- 18. Outstanding GDR/Warrants and Convertible Bonds
- : 97.73% of outstanding shares have been dematerialised as on 31st March, 2012. Trading in shares of your Company is permitted only in the dematerialised form.
- : Not Applicable
- : 5,523,739 GDRs are outstanding as on 31st March, 2012. Each GDR represents one underlying equity share. There are no warrants/convertible bonds outstanding as at the year end.

19. Plant Locations (Integrated Plants):

Grey Cement

Aditya Cement Works

Adityapuram,

Sawa - Shambhupura Road,

Dist.: Chittorgarh, Rajasthan - 312622 Tel : (01472) 221001-10 Fax : (01472) 221020

Gujarat Cement Works

P.O. Kovaya, Taluka: Rajula, Dist.: Amreli, Gujarat - 365541 Tel: (02794) 283034 Fax: (02794) 283036

Kotpuli Cement Works

V & P. O. Mohanpura, Tehsil: Kotputli, Dist.: Jaipur, Rajasthan - 303108 Tel: (01421) 288666 Fax: (01421) 288665

Reddipalayam Cement Works

Reddipalayam PO Dist.: Ariyalur Tamil Nadu - 621704 Tel : (04329) 249240 Fax : (04329) 249253

White Cement Birla White

Rajashree Nagar, P.O. Kharia Khangar,

Tehsil: Bhopalgarh,

Dist.: Jodhpur, Rajasthan - 342606

Tel: (02920) 264040 - 47 Fax: (02920) 264244 / 264222

20. Investor Correspondence:

Registered Office

UltraTech Cement Limited 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel: (022) 66917800 Fax: (022) 66928109

Email: sharesutcl@adityabirla.com;

<u>kamal.r@adityabirla.com</u> Contact Person: Mr. Kamal Rathi

Andhra Pradesh Cement Works

Bhogasamudram, Tadipatri Mandal, Dist.: Anantapur,

Andhra Pradesh - 515415 Tel: (08558) 288847/41 Fax: (08558) 288821/59

Hirmi Cement Works

Village & Post: Hirmi, Taluka: Simga, Dist.: Baloda Bazar, Chhattisgarh - 493195 Tel: (07726) 281217/218/221 Fax: (07726) 281572

Rajashree Cement Works

Aditya Nagar, Malkhed Road,

Tehsil: Sedam, Dist.: Gulbarga Karnataka - 585292 Tel: (08441) 28888

Fax: (08441) 288624/ 288365

Vikram Cement Works

Vikram Nagar, P. O. - Khor Tehsil: Jawad, Dist.: Neemuch, Madhya Pradesh - 458470 Tel: (07420) 230830, 235557

Fax: (07420) 235524

Awarpur Cement Works

P.O. Awarpur Cement Project,

Taluka : Korpana, Dist.: Chandrapur, Maharashtra - 442917 Tel: (07173) 266323 Fax: (07173) 266339

Jafrabad Cement Works

P. B. No. 10, Village: Babarkot,

Taluka: Jafrabad, Dist.: Amreli, Gujarat - 365540 Tel: (02794) 245103 Fax: (02794) 245110

Rawan Cement Works

Grasim Vihar Village, P.O. Rawan,

Tehsil: Simga, Dist.: Baloda Bazar

Bhatapara, Chhattisgarh - 493196

Tel: (07726) 288217-20 Fax: (07726) 288215, 288209

Registrar & Share Transfer Agent

Sharepro Services (India) Private Limited 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400072 Tel: (022) 67720300 / 67720400 Fax: (022) 28591568 / 28508927

Email: <u>utcl@shareproservices.com</u> <u>satishp@shareproservices.com</u> Contact Person: Mr. Satish Poojari

Email for investor correspondence under SEBI requirements: sharesutcl@adityabirla.com

Unpaid/Unclaimed Dividends

Dividend warrants in respect of the dividend declared in September, 2011 have been despatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company or its RTA for further information in this behalf. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

The Unpaid / Unclaimed dividend for the financial year 2003 - 2004 has been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government under Section 205A and 205C of the Companies Act, 1956 ("the Act").

Pursuant to the provisions of Section 205A of the Act, as amended, dividend for the financial year 2004 - 05 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years will be transferred to IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the financial year 2004 - 05 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the RTA on or before 15th September, 2012, failing which the unpaid / unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid / unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the IEPF / the Company in respect of such amount by the shareholder.

Unclaimed shares in physical form

Securities and Exchange Board of India (SEBI) has notified new Clause 5A II ("the Clause") to the Listing Agreement. The Clause provides the manner of dealing with the shares issued in physical form pursuant to a public issue or any other issue, which remains unclaimed with the Company. In compliance with the provisions of the Clause, the Company has sent three reminders to the shareholders whose share certificates are lying unclaimed.

The Company is in the process of transferring the unclaimed shares into the "Unclaimed Suspense Account". In case your shares are lying unclaimed with the Company, you are requested to claim the same.

ECS/ NECS Facility

The Company uses "Electronic Clearing Service" (ECS) facility for remitting dividend to its shareholders wherever available.

In terms of a notification issued by the Reserve Bank of India, with effect from 1st October, 2009, remittance of dividend through ECS is replaced by "National Electronic Clearing Service" (NECS). Banks have been instructed to move to the NECS platform. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations.

NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralised processing of inward instructions and efficiency in handling bulk transactions.

To enable remittance of dividend through NECS, Members are requested to provide their new account number allotted to them by their respective banks after implementation of CBS. The account number must be provided to the Company or its RTA in respect of shares held in physical form and to the Depository Participants (DPs) in respect of shares held in electronic form.

Share Transfer / Dematerialisation

- 1. Share transfer requests are acted upon within 12 days from the date of their receipt at the Share Department. In case no response is received from the Company within 30 days of lodgement of transfer request, the lodger should immediately write to the Company or its RTA with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss / interception during postal transit.
- 2. Dematerialisation requests duly completed in all respects are normally processed within 7 days from the date of their receipt at the Company or its RTA.

- 3. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantages of scripless trading, shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
- 4. The equity shares of the Company have been admitted with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) bearing ISIN No. **INE481G01011**.

Correspondence with the Company

Shareholders / Beneficial Owners are requested to quote their Folio Number / DP & Client ID Numbers as the case may be, in all correspondence with the Company or its RTA.

Non-Resident Shareholders

Non-resident shareholders are requested to immediately notify:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of their NRE Bank Account with a bank in India, if not furnished earlier.

Others

- In terms of the Regulations of NSDL and CDSL, the bank account details of Beneficial Owners of shares in demat form will be printed on the dividend warrants as furnished by the DPs. The Company will not entertain any request for change of bank details printed on their dividend warrants. In case of any changes in your bank details please inform your DPs immediately.
- 2. Shareholders holding shares in physical form are requested to notify to the Company or its RTA, change in their address / pin code number and Bank Account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name,

- change of address, bank details, nomination, power of attorney, etc. directly to their DPs as the same are maintained by the DPs.
- 3. To prevent fraudulent encashment of dividend warrants, shareholders are requested to provide their bank account details (if not provided earlier) to the Company or its RTA (if shares held in physical form) or to DP (if shares held in electronic form), as the case may be, for printing of the same on their dividend warrants.
- In case of loss / misplacement of shares, shareholders should immediately lodge a FIR / Complaint with the Police and inform the Company or its RTA along with original or certified copy of FIR / Acknowledged copy of Police complaint.
- 5. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
- Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
- 7. Shareholders of the Company who have multiple accounts in identical name(s) or holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the Company or its RTA.
- 8. Section 109A of the Companies Act, 1956 extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form which can be obtained from the Company or its RTA or download the same from the Company's website.
- Shareholders are requested to give us their valuable suggestions for improvement in our investor services.

10. Addresses of the redressal agencies for investors to lodge their grievances:

Ministry of Corporate Affairs (MCA)

'A' Wing, Shastri Bhawan, Rajendra Prasad Road, New Delhi - 110001

Tel.: (011) 23384158 / 23384660 /

23384659

Web: www.mca.gov.in

Stock Exchanges:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

Tel.: (022) 22721233/34 Fax: (022) 22721919 Web: www.bseindia.com

Depositories:

National Securities Depository Limited (NSDL)

Trade World, 'A' Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400013

Tel.: (022) 24994200 Fax: (022) 24976351 Web: <u>www.nsdl.co.in</u>

Securities and Exchange Board of India (SEBI)

Plot No.C4-A, 'G' Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400051 Tel.: (022) 26449000 / 40459000

Fax: (022) 26449016-20 Web: www.sebi.gov.in

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C/1, 'G' Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400051

Tel.: (022) 26598100-8114 Fax: (022) 26598120 Web: <u>www.nseindia.com</u>

Central Depository Services (India) Limited (CDSL)

Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort,

Mumbai - 400001 Tel.: (022) 22723333 Fax: (022) 22723199 Web: <u>www.cdslindia.com</u>

Green Initiative in Corporate Governance:

The Ministry of Corporate Affairs ("MCA") has launched "Green Initiative in Corporate Governance" allowing paperless communication to shareholders. Consequently, companies can send Annual Reports and other communication to shareholders electronically.

Your Company believes that this is a remarkable initiative and requests its shareholders to support the same.

We request shareholders to register their email ID with the Company or its RTA for receiving all future communication electronically. The 'Green Initiative Form' can be downloaded from the Company's website and returned, duly filled in to the Company or its RTA.

Going green -

- reduces paper consumption
- ensures prompt receipt of information
- avoids loss in transit

SOCIAL REPORT TOWARDS INCLUSIVE GROWTH

Life in the villages is tough. Literacy levels are far from the desired levels as are educational facilities. That by and large women are nonentities should come as no surprise. A low awareness of health and hygiene and the lack of healthcare facilities make life a difficult call for the villagers. Water is a perennial problem. Many villages are ravaged either by floods or plagued by droughts. Not all of the tens of thousands of villagers are gainfully employed. Even as the Government is seized of these issues and is endeavouring to lift the lot of the poor, it will be still a while that these issues will be resolved.

We, in tandem with the Government, work to change the face of our villages and move the villagers from their lowly conditions, according them the dignity that every human being deserves.

So under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development, spearheaded by Mrs. Rajashree Birla, we at your Company, work in 407 villages, touching the lives of 11.26 lakh people. These villages are in proximity to your Company's 22 Units across the country.

We believe that bringing the benefits of education, basic healthcare, sustainable livelihood, infrastructure and espousing social reform will make a difference to the lives of the poor.

In the healthcare domain

In the healthcare domain, we have made impressive strides. This year through our medical camps, coupled with our rural mobile medical vans services, we reached out to over 10 lakh villagers.

Those diagnosed with serious ailments were taken to our various companies' hospitals for treatment. The afflictions treated included cataract (7.195) patients), cleft lip surgeries (7 patients), differently abled (55), general health check-ups (74,682). Additionally, 9.93 lakh polio drops/vaccines were administered to over 3 lakh children and 4,634 children were immunised against TB, diphtheria, tetanus and measles. Alongside, 5,000 women were given pre-natal and post-natal care along with escort services to institutional delivery. We were also able to convince 3,759 couples to opt for planned families. These programmes spanned Awarpur (Maharashtra), Hirmi (Chhattisgarh), Jafrabad (Gujarat), Khor (Madhya Pradesh), Kharia Khangar (Rajasthan), Jharsuguda (Orissa), Tadipatri (Andhra Pradesh), Malkhed (Karnataka), Shambhupura (Rajasthan), Rawan (Chhattisgarh) and Kovaya (Gujarat).

Sparking the desire to learn

This year our focus has been on the girl child and on women empowerment. As you are aware the girl child faces a long battle in our country. Not only in the rural areas but also in cities, and small towns. The consistently declining child sex ratio, that is, the number of female children per 1,000 male children in the age group of 0-6 years is a cause for concern. The 2011 census of India data has revealed that the sex ratio in the 0-6 age group is the worst since independence. In 1981, it was 971 girls for every 1,000 boys. In 1991, it came down to 927. In 2011, it is as low as 914. This is a social distortion. It can lead to severe societal problems in the country if this trend continues. Hence, the thrust on the girl child.

In collaboration with the district rural teams, we are at the forefront of the education of the girl child. Under the Sarva Shiksha Abhiyan and the Rashtriya Madhyamik Shiksha Abhiyans - Kasturba Gandhi Balika Vidyalayas (KGBV), we have been able to motivate 556 rural girls who were school dropouts to join KGBV. Motivating girls and intensive parent counselling on how education can be a leveller and give their children a future so different from their own, has indeed worked wonders. At the KGBVs, we also conduct awareness sessions on health and hygiene, have provided merit scholarships and helped out with additional uniforms and library books. This is an engagement undertaken by our teams in Awarpur, Hirmi, Malkhed and Kharia Khangar.

Over the years at our Rawan and Hirmi plants, we have been working hard to coach girls to compete for admission to Navodaya Schools. The Navodaya Residential Schools (a Government initiative for the underprivileged) aims at providing best-in-class education, admitting the most competitive students from Grade-V onwards and seeing them all through their schooling years. At Rawan, this year, of the 33 girls, supported by us, 3 of them were selected. Up until now, 34 students from villages close to Hirmi and Rawan have made the grade. Around 70% of them belong to bpl (below poverty line) families.

Rajashree Cement's Smart Class Computer project has been extended to 4 Government Schools in Malkhed. Over 1,240 participants at

Khor, Kharia Khangar, Awarpur and Arakkonam (Tamil Nadu) enlisted at our computer education programmes.

The Government's Balwadi and Anganwadi projects at various places are running on all cylinders, in the areas in which we operate. We support these balwadis and through our involvement 520 children joined the balwadis. Additionally, at Rawan, Kotputli (Rajasthan), Hirmi, Tadipatri, Kovaya, Shambhupura and Awarpur, we conducted free coaching classes and reached out to 1,900 students.

Safe drinking water and sanitation

In villages at Shambhupura, Khor, Malkhed, Reddipalyam (Tamil Nadu), Tadipatri, Hirmi, Awarpur, Kovaya, Ratnagiri (Maharashtra), Durgapur (West Bengal) and Jafrabad, our safe drinking water projects provide relief to 52,000 people. This year, a water tank was constructed in the Amarpura village (Chittorgarh).

Sustainable livelihood

In a unique Public Private Partnership (PPP) Watershed Management Project, we are collaborating with the Rajiv Gandhi Watershed Mission and the Water and Irrigation Department of the Government of Madhya Pradesh. In a phase-wise implementation, spread over 5 years, our collective efforts will bring 5,742 hectares of land under irrigation, directly benefiting 20,000 farmers and their families.

The project involves water harvesting as well as training farmers and local people in diverse agro based activities along with ways to support watershed management. In the 19 villages that we work, this year, 35 structures for water harvesting and distribution were set up. Over 2,370 farm hands including villagers and 1,380 Self Help Group members were trained in state-of-the-art agricultural practices and water management.



In recent past, Birla White in Rajasthan has widened its Applicator's Training Programme to include women and unskilled construction workers. Up until now it has trained more than 6,000 people of whom 1,015 are women in the specialised application of Birla White putty. This has been a game changer for the poor. In recognition of the path breaking work done by Birla White, ASSOCHAM conferred the CSR Excellence Award. Birla White was also the recipient of the Golden Peacock CSR Award and the state level best SHG Award.

Over 465 students have been trained at Rajashree Cement's Kagina Industrial Training Centre. The Centre admits 75 students every year, training them as electricians, fitters and welders. Till date 491 students has passed through its portals and have been gainfully employed.

An additional 1,780 youngsters have been trained in different vocations at Hirmi, Shambhupura, Kharia Khangar, Khor, Rawan and Awarpur. Over 2,330 women have been trained in basic tailoring. On the agricultural front 130 farmers from Ratnagiri and Jafrabad have set up organic farming units. Elsewhere, 5,670 farmers have been trained in grafting, soil health, crop protection and post harvest techniques, in partnership with the Local Agricultural Technology Management Centres.

We immunised 24,683 animals at animal husbandry and other veterinary camps at all our Units. The Navjeevan Gaushala at Kharia Khangar houses 740 cows and oxen. Additionally, our dairy programme at Reddipalyam and Shambhupura caters to the health of 1,200 farm animals.

Self Help Groups

Currently, we have 873 Self Help Groups (SHG) with a membership of 7,941 women, engaged in tailoring, making soft toys and cloth bags,

embroidery, handicrafts, vermi-compost, making candles and chalks and as beauticians.

At Jafrabad Cement Works, our SHG has been chosen to make handicraft items and supply them to the NABARD outlet market at Amreli.

Infrastructure Development

Our activities here are varied. We have helped build check-dams, bore-wells, water harvesting structures, approach roads, repair school buildings, construct boundary walls and help the local populace through building community halls.

Model Villages

Finally, a word on our model villages. Of the 407 villages, in which we work, we have earmarked 47 villages for transformation into model villages. Up until now 18 villages viz. Basni and Kharia in Jodhpur/Nagaur (Rajasthan); Arniyapan in Chittorgarh (Rajasthan); Khor and Borkhedi in Neemuch (Madhya Pradesh); Balanivav in Amreli (Gujarat); Kasidih and Khapradih in Baloda Bazaar (Chhattisgarh): Thippa in Chandrapur (Maharashtra); Malkhed, Udgi and Station Tanda in Gulbarga (Karnataka) and Reddipalayam, Kaikatti, Chandrapalayam, Muniyankurichi, Naickerpalayam and Puthur in Arriyalur (Tamil Nadu) have become model villages. Making of a model village entails ensuring self-reliance in all aspects viz. education, healthcare and family welfare, infrastructure, agriculture and watershed management and working towards sustainable livelihood patterns. Fundamentally, ensuring that their development reaches a stage wherein village committees take over the complete responsibility and our teams become dispensable.

In sum

The ethos of giving and caring, which forms the very essence of inclusive growth, is part of our Group's DNA, our Group's character.



Social and environmental practices, far beyond compliance, have been an integral part of your Company's philosophy since its inception. These investments were undertaken with an innate sense of responsibility towards the well-being of society and the environment. In recent years, to cement these relationships, our initiatives have become more structured and have been seamlessly integrated in our business process.

Our key focus areas include - Waste Management, Energy Management, Water Conservation, Biodiversity Management, Afforestation and Reduction in Emissions.

Your Company is a member of Cement Sustainability Initiative (CSI) of World Business Council for Sustainable Development (WBCSD), a Global voluntary initiative on climate protection, emissions reduction and responsible use of fuels and raw materials. Through this association your Company has initiated many actions on the environment and natural resource conservation front. As part of its commitment to CSI charter, your Company's intent is to reduce CO₂ emission by 0.5% year on year over the next 5 years.

Most of your Company's Units are ISO 14001 EMS, OHSAS 18001 and SA 8000 certified.

Fuel is important in the cement manufacturing process and 30% of your Company's CO₂ emissions are from fuels. Your Company's thrust on use of alternative fuels is gaining momentum. It has been continuously pursuing efforts to reduce consumption of fossil fuel by substituting it with wastes from other industries.

Usage of hazardous waste from the industries provides a safe option for disposal of waste without sacrificing the energy loss as otherwise the only choice is through either incineration or land filling which have larger environmental impact. To name a few, processed Municipal Solid Waste (MSW), Resource Description Framework (RDF), paint sludge from automobile industry, used polythene and plastics waste from packaging, agro waste, wood dust, rice husk, tyre chips are some of the waste material used to substitute fossil fuel in the Units.

In the current year, your Company has used 70,744 MT of alternative fuel of which 28,717 MT is biomass. This has saved nearly 42,000 MT of coal use in this year. In addition, your Company has used alternative raw materials from industrial waste of 83,86,382 MT for cement production in the year 2011-12 which has in turn resulted in avoiding usage of natural raw materials.

The use of the renewable energy sources is yet another area of focus. Your Company has installed 100 KW photo voltaic cell based on solar power plants in your Company's Kotputli Cement Works in Rajasthan. With this, the total installed capacity of photovoltaic solar power generation has gone up to 400 KW. Your Company is in the process of adding further capacity in various plant locations.

Your Company has also installed a food waste based biogas plant at Rajashree Cement Works in Karnataka. The gas generated is used for cooking in your Company's industrial canteen.

To fulfill its commitment to reduce carbon footprint, your Company has placed orders for Waste Heat Recovery System (WHRS) across its Units.

Star Cement, a subsidiary of your Company, headquartered in UAE has placed an order for a Waste Heat Recovery System based on Kalina cycle for its Units at Ras-Al-Khaimah (RAK) UAE. Kalina Cycle is considered as most efficient for Waste Heat Recovery as it uses ammonia water mixture for heat recovery.

The project for increasing the pre-heater stage from 4 to 5 and installation of new stage of the art cooler at Reddipalayam Cement Works (RDCW) in Tamil Nadu has been completed. This will help in reducing the CO₂ footprint of your Company.

The particulate emission from many of the kiln stacks is lower than the norms specified by the Central and State Pollution Control Boards. Your Company has initiated action to reduce the stack emission in few of the old Units where emissions are close to the norms set by the pollution control boards. As a part of this exercise, your Company has successfully commissioned a reverse air bag house of sufficient capacity to replace the existing electrostatic precipitators at Awarpur Cement Works in Maharashtra. As a commitment of your Company's transparency in reporting, RDCW in Tamil Nadu has installed continuous monitoring of stack emissions, which is connected to the website of Tamil Nadu Pollution Control Board. Many of your

Company's Units are equipped with online stack monitoring system for dust. A few Units are equipped with online stack monitoring system for SO₂ (Sulfer dioxide) and NOx (Nitrogen oxide) and your Company is in the process of installing online ambient air quality monitoring system for other Units.

Water is a scarce commodity in the Indian context. Your Company is fully aware of this and is focusing on reducing water consumption in all its cement units. The installation of bag house in the raw mill and air cooled condensers in the thermal power plant are major steps taken. Furthermore water conservation of about 9 million M3/ Annum at your Company's present operational capacity through air cooled condenser in the thermal power plant is envisaged.

The potential of rain water harvesting to replenish and recharge the aquifer has been evaluated. Water bodies in the catchment areas for the rain water storage and aquifer recharging system have been set up wherever possible. Rain water harvesting system has also been installed in the schools, shopping complexes and hospitals at various Units. These rain water harvesting system maintain aquifer water level.

The pits created after mining of limestone have been converted as storage of rain water for use of our Units and the nearby community. These water bodies help to maintain the biodiversity of the area. Over 12% of its total water demand is met by recycling of waste water. At all integrated Units the treated water from the sewage treatment plants is used for horticulture gardening, cyclone cooling and dust suppression is common practice. At most of the Units, there is zero water discharge.

Over 2.25 lakhs saplings have been planted this year. Your Company's green belt cover in all of its plant locations exudes a leafy splendor.

Our Board, our Management and all our colleagues are committed to living in harmony with nature.

Dear Shareholders,

Your Directors present the Twelfth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

(₹ in Crores)

	2011-12 (Reported)	20 <mark>10-11*</mark> (Recasted)	2010-11 (Reported)
Net Turnover	18,166	15,406	13,206
Profit before Depreciation, Interest and Tax (PBDIT)	4,519	3,453	2,822
Depreciation	902	877	766
Profit before Interest and Tax (PBIT)	3,617	2,576	2,056
Interest	224	324	273
Profit before Tax (PBT)	3,393	2,252	1,783
Tax Expenses	947	533	379
Profit after Tax	2,446	1,719	1,404

^{*}On account of the amalgamation of erstwhile Samruddhi Cement Limited ("Samruddhi") with your Company w.e.f. 1st July, 2010, the figures for FY11 have been recasted so as to include Samrudhi's figures for the period 1st April, 2010 to 30th June, 2010 for a better understanding. For the purpose of comparison, the recasted figures have been used in this Directors' Report to the Shareholders.

OVERVIEW AND REVIEW OF OPERATIONS

The cement industry recorded a growth of 7% during FY12 as against 5.7% in FY11. Overall, the year was challenging with lower growth in industrial production, slow-down in government spending, continuing high rate of inflation and depreciation of the rupee. These factors had an adverse impact on the economy with lower GDP growth of 6.5% as against GDP of 8.4% in the previous year.

Rising input costs, slow pace of housing, infrastructure development and the impact of global slowdown constrained the performance of the cement industry. Nonetheless, the Government's focus on inclusive growth and infrastructure together with enhanced capital allocation towards infrastructure in the 12th Five year plan augurs well for the industry.

Against this background, your Company has produced 39.43 MMT of cement as against 38.22

MMT in the previous year. Effective capacity utilisation was 83% as against 82%. While the aggregate sales volume was 40.73 MMT as against 39.74 MMT in the earlier year.

Your Company's net turnover stood at ₹ 18,166 crores vis-à-vis ₹ 15,406 crores achieved in the previous year. Profit before interest and tax was at ₹ 3,617 crores as against ₹ 2,576 crores is the previous year.

DIVIDEND

Your Directors have recommended a dividend of ₹ 8/- per equity share (₹ 6/- per equity share) of ₹ 10/- each for the year ended 31st March, 2012. The dividend distribution would result in a cash outgo of ₹ 255 crores (including tax on dividend of ₹ 36 crores) compared to ₹ 191 crores (including tax on dividend of ₹ 27 crores) paid for the year 2010-11.

CAPITAL EXPENDITURE

Your Company has a capital outlay of ₹ 10,400 crores. The capex pertains to a number of projects. These include - clinkerisation plants through brownfield expansion at Chhattisgarh and Karnataka, together with additional grinding units, waste heat recovery systems, bulk packaging terminals and ready mix concrete plants. These projects are expected to be operational from early FY14.

On completion of this round of capex, your Company's cement capacity will be augmented by 10 mtpa to 62 mtpa; captive power capacity from 529 MW to 674 MW and green power through Waste Heat Recovery from 4 MW to 69 MW.

These projects are being funded through a judicious mix of internal accruals and borrowings.

CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions of Clause 49 of the Listing Agreement with the stock exchanges relating to corporate governance.

The compliance report is provided in the Corporate Governance section of the Annual Report. The auditor's certificate on compliance with the provisions of Clause 49 of the Listing Agreement is given in **Annexure I** to this Report.

EMPLOYEE STOCK OPTION SCHEME

During the year 50,445 stock options were vested in eligible employees. The ESOS Compensation Committee allotted 23,636 equity shares of ₹ 10/- each of your Company upon exercise of stock options by the employees.

The disclosure, under Clause 12 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is set out in **Annexure II** to this Report.

A certificate from the Statutory Auditor on the implementation of your Company's Employees Stock Option Scheme will be placed at the ensuing Annual General Meeting for inspection by the Members.

AWARDS

In recognition of the extraordinary contribution made towards setting corporate governance standards in India, for authoring the first ever Securities and Exchange Board of India (SEBI) initiated Corporate Governance Report in India and for benchmarkable Governance standards in Aditya Birla Group companies, the Asian Centre for Corporate Governance and Sustainability has conferred the "Transformational Leader Award" on your Company's Chairman, Mr. Kumar Mangalam Birla.

A selective list of awards conferred upon your Company includes:

- "Rolta Corporate Award 2011" from Dun and Bradstreet conferred on your Company for being a distinguished performer and leader in India's cement sector.
- "Top Exporter Award" from CAPEXIL for the 15th consecutive year.
- "Businessworld FICCI-SEDF CSR Award 2010" from FICCI for Vikram Cement Works (VCW).
- "Rajiv Gandhi National Award Clean Technology" from Ministry of Environment and Forest for VCW.
- "CII Environmental Best Practices Award 2012" for innovative alternative fuel usages from CII for VCW.
- "ASSOCHAM CSR Excellence Award" from Ministry of Corporate Affairs, Government of India for Birla White (BW).

RESEARCH AND DEVELOPMENT

Your Company's Research and Development (R&D) activities are expanding in line with its growing operations. These are focused on development of new products and processes that create value for

its customers. Your Company is closely engaged with Aditya Birla Science and Technology Company Limited (ABSTCL) which is the corporate research and development centre for the Aditya Birla Group. ABSTCL supports the broad diversity of the Group's businesses through multi-disciplinary teams of expert scientists and engineers who lead fundamental and applied research projects.

Your Company is committed to sustainable development and looks at new ways to preserve the environment and manage resources responsibly. Your Company continues to maximise use of industrial waste, alternative sources of fuel and chemicals and mineral evaluation of captive limestone reserves. Your Company also has an R&D centre located at its Unit in Neemuch, Madhya Pradesh.

HUMAN RESOURCES

The human resource philosophy and strategy of your Company is structured to attract and retain the best talent, creating a workplace environment that keeps employees engaged, motivated and encourages innovation. This talent has, through strong alignment with your Company's vision, successfully built and sustained your Company's standing as one of India's most admired and valuable corporations.

SAFETY

Your Company is committed to the safety of its employees, service providers, host communities and society at large. During the year, your Company has initiated the "Safety Excellence Journey" in association with DuPont Sustainable Solution Group, a global leader in safety, to achieve excellence in safety practice and performance. As a part of this initiative, your Company has set up an Apex Safety Council called "Safety Board" headed by the Whole-time Director. It provides strategic direction, sets the priority and deals with behavior issues. The internal Safety structure has also been restructured to facilitate the involvement of line functions in formulating and reinforcing safety standard, rules and procedures.

SUBSIDIARY COMPANIES

In accordance with the general exemption granted by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss, Directors' Report, Auditors' Report etc. of the subsidiary companies are not attached with this Annual Report of your Company.

The annual accounts of your Company's subsidiaries viz. Dakshin Cements Limited, Harish Cement Limited, UltraTech Cement Middle East Investments Limited (UCMEIL), UltraTech Cement Lanka (Pvt) Limited and PT UltraTech Mining Indonesia and the related information shall be made available to shareholders of your Company and its subsidiaries upon receipt of a request from them. They will also be kept open for inspection at the Registered Office of your Company and its subsidiaries during business hours.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with the applicable Accounting Standards and the provisions of the Listing Agreement with the stock exchanges and forms part of this Annual Report.

FINANCE

Your Company has raised ₹ 1,116 crores by way of External Commercial Borrowings (ECBs). ECBs amounting to ₹ 525 crores have been extended for a period of 3 to 5 years. All foreign currency borrowings outstanding are fully hedged. These are being utilised for financing the various capex initiatives of your Company.

Your Company has repaid long term borrowings (Non-Convertible Debentures and Foreign Currency Borrowings) amounting to ₹ 981 crores.

CRISIL has reaffirmed the "CRISIL AAA/Stable" and "CRISIL A1+" rating for your Company's long term borrowings and bank loan facilities respectively. Your Company has adequate liquidity and a strong balance sheet. CARE has also reaffirmed the "CARE AAA" rating of the Non-Convertible Debentures of ₹ 500 crores transferred

from Samruddhi upon its amalgamation with your Company.

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest on fixed deposit was outstanding as of the balance sheet date.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed pursuant to section 217(1)(e) of the Companies Act, 1956 ("the Act") read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in **Annexure III** to this Report.

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are to be set out in the Directors' Report, as an addendum thereto. However, in line with the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the Registered Office of your Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

The Audited Accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substances of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Your Directors confirm that:

 in the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

- II. the accounting policies selected have been applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2012 and of the profit of your Company for the year ended on that date;
- III. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities;
- IV. the Annual Accounts of your Company have been prepared on a going concern basis.

DIRECTORS

Mr. N. J. Jhaveri resigned from the Board of your Company with effect from 4th April, 2012. The Board places on record its deep appreciation for the services rendered by Mr. Jhaveri during his tenure as Member of the Board.

Mr. M. Damodaran was appointed Additional Director on the Board of your Company with effect from 16th April, 2012. Mr. Damodaran holds office upto the date of the ensuing Annual General Meeting. Notice pursuant to Section 257 of the Act has been received from a member proposing Mr. Damodaran for appointment as Director of your Company.

Mr. G. M. Dave, Mr. Kumar Mangalam Birla and Mr. S. B. Mathur retire from office by rotation and being eligible, offer themselves for re-appointment.

The Board recommends these appointment / reappointments.

Resolutions seeking your approval on these items are included in the Notice convening the Annual General Meeting together with a brief resume of the Directors being appointed / re-appointed.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai and M/s. G.P. Kapadia & Co., Chartered Accountants, Mumbai were

appointed Joint Statutory Auditors of your Company from the conclusion of the previous Annual General Meeting until the conclusion of the ensuing Annual General Meeting. Being eligible, they offer themselves for re-appointment as auditors of your Company.

The Board proposes the re-appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai and M/s. G.P. Kapadia & Co., Chartered Accountants, Mumbai, as Joint Statutory Auditors of your Company based on the recommendation of the Audit Committee, to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

The Board also proposes the re-appointment of M/s. Haribhakti & Co., Chartered Accountants, Mumbai as the Branch Auditor of your Company's Unit's at Jafrabad and Magdalla in Gujarat and Ratnagiri in Maharashtra, based on the recommendation of the Audit Committee, to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. In terms of the provisions of the Act, the Board also seeks your approval for the appointment of Branch Auditors in consultation with your Company's Statutory Auditor's for any other Branch/Unit/Division of your Company, which may be opened/acquired/installed in future in India or abroad.

Resolutions seeking your approval on these items are included in the Notice convening the Annual General Meeting.

The observation made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Act.

COST AUDITORS

In terms of the provisions of Section 233B of the Act, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. N. I. Mehta & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, as Cost Auditors, to conduct the cost audit of your Company for the financial year ending 31st March, 2013, subject to the approval of the Central Government.

The Audit Committee has received a certificate from the Cost Auditors certifying their independence and arm's length relationship with your Company. In accordance with Cost Audit (Report) Rules, 2001, the due date for filing the Cost Audit Report for the financial year ended 31st March, 2011 was 30th September, 2011 and the same was filed on 21st September, 2011 vide SRN No. B20929535 with the Ministry of Corporate Affairs, New Delhi.

APPRECIATION

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and support and look forward to their continued support in future.

We very warmly thank all of our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

For and on behalf of the Board

Kumar Mangalam Birla Chairman

Mumbai, 23rd April, 2012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of UltraTech Cement Limited

We have examined the compliance of the conditions of Corporate Governance by **UltraTech Cement Limited** for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For G. P. Kapadia & Co. Chartered Accountants Firm Regn. No.:104768W

Atul B. Desai (Partner) Membership No. 30850

Place: Mumbai Date: 23rd April, 2012

Disclosure pursuant to Clause 12 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

			ESOS - 2006			
	Particulars	Tranche I (23 rd August, 2007)	Tranche II (25th January, 2008)	Tranche III (8th September, 2010)	Tranche IV (20th September, 2010)	Tranche V (20th September, 2010)
ö.	No. of options granted	99,010	69,060	60,403	88,907	8,199
Ġ	The pricing formula	The Exercise Price is the average price of the equity shares of the Company in the immediate preceding seven days period (at a stock exchange as determined by the ESOS Compensation Committee) on the date on which the ESOS Compensation Committee finalised the specific number of options to be granted to the employees, discounted by 30%. Exercise Price 3 8096, service of the employees, Exercise Price 3 8096.	The Exercise Price is the average price of the equity, shares of the Company in the immediate preceding seven days period (at a stock exchange as determined by the ESOS Compensation Committee) on the date prior to the date on which the ESOS Compensation Committee finalised the specific number of options to be granted to the employees doptions to be granted to the employees Exercise Price; ₹ 7344. Per conton	The Exercise Price is the average price of the equity, shares of the Company in the immediate preceding seven days period (at a stock exchange as determined by the ESOS Compensation Committee) on the date prior to the date on which the ESOS Compensation Committee finalised the specific number of options to be granted to the employees, discounded by 30%. Exercise Price: ₹ 6556, per option	In terms of the Scheme of Amalgamation of Samruddhi Cement Limited with your Company Company Exercise Price: ₹ 7099- per cotion	In terms of the Scheme of Amagamation of Samunddhi Cement Limited with your Company
ú	Options vested	89,490	43,235	15,100	87,828	8,199
-jo	Options exercised	21,945	5,260	- I'N	18,748	Ni
ού	The total number of shares arising as a result of exercise of the options.	21,945	5,260	N:I	18,748	Nil
÷.	Options lapsed	9,520	25,825	Nil	1,079	ΙΝ
g.	Variation of terms of options	ΞZ	ĪZ	Nil	ΞZ	Ī
Ŀ.	Money realised by exercise of options	₹ 13,298,670/-	₹ 4,176,440/-	-	₹ 13,292,332/-	
.=	Total number of options in force: Vested Unvested	67,545	37,975	15,100 45,303	080'69	8,199
	Employee wise details of options granted to: i. Senior Managerial Personnel Mr. O. P. Puranmalka Whole-time Director	Z	Ξ	14,973	4,042	Ī
	ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Nii.	Nil	Mr. R. K. Shah – 17,960 Mr. S. N. Jajoo – 8,160	Nil	Nil
	iiii Identified employee who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil		 		
×:	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'			₹ 89.22		
	Where the Company has calculated the employees compensation cost using the intrinsic value of the stock options:	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for options issued under the ESOS - 2006	pensation cost using the intrinsic value method	of accounting to account for options issued un	der the ESOS – 2006.	
	i. the difference between the employee compensation cost so computed and the employee compensation cost that shall be recognised if it had used the fair value of the options shall be disclosed.	Employee Compensation Cost: - Intrinsic value based - fair value based Difference	₹ 0.83 crores ₹ 1.24 crores ₹ 0.41 crores			
	ii. The impact of this difference:		Reported	Adjusted		
	- on profits	Net Profit	₹ 2,446.19 crores	₹ 2.445.78 crores		
	- EPS	Basic Diluted	₹ 89.26 ₹ 89.22	₹ 89.24 ₹ 89.21		

Ë	Weighted average exercise prices of options:	
	i. equal or exceed to market price of the stock	
	ii. less than market price of the stock	₹ 695/-
	Weighted average fair values of options	
	i. equal or exceed to market price of the stock	
	ii. less than the market price of the stock	₹ 469/-
c:	A description of the method used during the year to estimate the fair values of options.	Black – Scholes Method
	Significant assumptions used during the year to estimate the fair values of options including the following weighted average information:	
	i. Risk – free interest rate	%8
	ii. Expected life	Period up to vesting plus the average of the exercise period correspondingly to each vesting.
	iii. Expected volatility	Implied volatility of the Company's stock prices on NSE based on the price data of last one year up to the date of grant. Tranche I = 49%; Tranche II = 52%; Tranche III to V = 30%.
	iv. Expected dividend v. The price of the underlying share in the market at the time of option grant.	Adjustment of olosing price of the Company's share on the NSE for the expected dividend vield over the expected life of the options (dividend for FY2006-07 and a growth factor have been considered, which are then discounted and an average present value of dividend ascertained).

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTOGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:

a) Energy Conservation Measures Taken

- Identification of false air ingress in the system and removal of the same to reduce fan power consumption and reduction in specific heat consumption in pyro-processing and grinding system.
- Increase in blended cement production and fly ash absorption in blended cement by optimising cement mill operations and using grinding aids.
- Installation of Variable Speed Drives.
- Performance optimisation initiatives in Roller mills.
- Optimisation of separators to reduce overgrinding and increase mills output and thereby reducing specific power consumption.
- Identification and removal / replacement of oversized blowers / compressors and motors and low efficiency drives to reduce unutilised power in a phased manner.
- Continuous initiatives on optimisation of cement plant and captive thermal power plant with drawn out action plan for each plant for energy conservation to comply with the PAT (Perform, Achieve and Trade) guidelines from Bureau of Energy Efficiency.
- Installation of Roller Press for specific Energy reduction.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy

- Installation of waste heat recovery systems in pre heater and cooler.
- Progressive phasing out of low efficiency drives.
- Installation of waste feeding system.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

The above measures helped in reduction of power and fuel consumption. The utilisation of waste also reduces dependence on conventional fossil fuel apart from moving forward towards PAT compliance.

d) Total energy consumption and energy consumption per unit of production

As per FORM-A of this Annexure.

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per FORM-B of this Annexure.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on foreign exchange earnings and outgo is contained in Note 46 and 45 of the Accounts.

FORM - A

(See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

A. POWER AND FUEL CONSUMPTION

			С	urrent Year 2011-12	Previous Year 2010-11
	1.	Electricity			
		(a) Purchased			
		Unit	000 Kwh	663933	543606
		Total Amount	₹ Crores	368.08	290.66
		Rate/unit	₹	5.54	5.35
		(b) Own generation*			
		(i) Through Diesel generator			
		Unit	000 Kwh	55640	71112
		Unit(Kwh) per Ltr. of fuel oil		6.69	4.22
		Cost/Unit	₹	13.80	9.07
		(ii) Through Steam Turbine/Generator			
		Unit	000 Kwh	2588989	2251369
		Unit(Kwh) per kg of coal		1.05	1.06
		Cost/Unit	₹	4.21	3.71
		(iii) Waste Heat Recovery System			
		Unit	000 Kwh	14203	16025
		Cost/Unit	₹	0.46	0.55
	2.	Fuel			
	۷.	a. For Co-generation of Steam & Power			
		Quantity	Tonnes	2827328	2455236
		Total Cost	₹ Crores	967.92	727.76
		Average rate	₹ Tonnes	3423	2964
		b. For Process in Cement Plants			
		Quantity	Tonnes	3982896	3442080
		Total Cost	₹ Crores	2560.66	1786.05
		Average rate	₹ Tonnes	6429	5189
	3.	Furnace Oil			
		Quantity	K. Ltrs	22205	28763
		Total amount	₹ Crores	79.10	75.00
		Average rate	₹ K ltr	35623	26075
	4.	Light Diesel Oil (LDO)			
		Quantity	K Ltrs	1006	1292
		Total amount	₹ Crores	5.07	5.01
		Average rate	₹ K ltr	50398	38819
	5.	High Speed Diesel Oil (HSD)			
	Ο.	Quantity	K Ltrs	4315	3893
		Total amount	₹ Crores	17.40	14.14
		Average rate	₹ K ltr	40319	36309
В.	CO	DNSUMPTION PER UNIT OF PRODUCTION			
IJ.		ectricity #	Kwh /T of Cemer	t 81.27	82.02
		rnace oil \$	Ltr /T of Clinker	0.10	0.12
	Coa		Kcal /Kg of Clinke		708

Excludes Auxillary & Wheeling

[#] Excludes non production power consumption

^{\$} Furnace oil used for kiln light up

FORM - B

(See Rule 2)

Form for disclosure of particulars with respect to absorption

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company

A. Developmental projects:

- (i) Development of advance simulation platform for pyro processing to reduce energy consumption.
- (ii) Design & development of multi-component blended cement.
- (iii) Design & development of high strength cement binder for insulator application.
- (iv) Development of cement based synthetic wood composites.

B. Lab. Investigation project:

- (i) Long term durability study of structure made using Portland Lime Stone cement.
- (ii) Evaluating influence of nano particulate seeding on cement hydration behaviour.
- (iii) Performance evaluation of dry ultra fine grinding system.
- (iv) Maximisation of pet coke usage at cement works.
- (v) Technical suitability of industrial waste precipitates as a substitute for gypsum.

C. Plant activities/services:

- (i) Improvement in early strength of Portland Pozzolona cement.
- (ii) Evaluation of limestone quality for strategic projects.
- (iii) Standardisation and calibration at Units
- (iv) Analytical services for group Units.
- (v) Quality benchmarking.

2. Benefits derived as a result of the above R&D

- a. Consistent cement quality to customers.
- b. Enhancing usage of mineral admixtures addition in blended cement.
- c. Increased usage of alternative fuels.

3. Future plan of action

- a. Development of nano metric cementitious binder.
- b. Computational modeling on cement hydration.
- c. Wider usage of industrial waste for manufacturing of cement.

4. Expenditure on R&D

			(₹ in crores)
		<u>2011-12</u>	<u>2010-11</u>
a.	Capital expenditure	16.64	10.28
b.	Recurring expenditure	26.48	23.05
C.	Total expenditure	43.12	33.33
d.	Total R&D expenditure as % of turnover	0.24	0.25

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief made towards technology absorption, adaptation and innovation:

- Use of CFD (Computational Fluid Dynamics) to improve performance of precalciner, improving collection efficiency of top stage cyclones and reduction in pressure drop of preheater.
- Replacement of old generation type low efficiency cyclones with low pressure drop high efficiency cyclones and thereby reducing the pressure drop and fan power consumption.
- Training of plant and R&D personnel in alternative fuel testing and characterisation.
- Participation in national / international seminars.
- Increased focus and awareness towards energy conservation through various inhouse initiatives.

2. Benefits derived as a result of the above efforts:

- Reduction in specific energy consumption.
- Increased use of alternative fuels.
- Above benefits shall also help compliance to PAT (Perform, Achieve and Trade) targets.
- Reduction in cost of cement produced.

3. Information regarding technology imported during the last 5 years: Nil



CONCRETE SOLUTIONS TO MATCH EVERY CONSTRUCTION NEED



PRESENTING A RANGE OF ULTRATECH SPECIALITY CONCRETE

UltraTech Concrete understands what it takes to build structures. We offer solutions that pass stringent quality control to ensure unmatched quality. Whatever your project, UltraTech Concrete offers you tailor-made solutions to suit your specific needs. Our range of formulations do justice to your architectural design. With UltraTech concrete, you can dare to create dream structures.

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Birla White Wallcare Putty protects your walls and the environment too.

Unlike ordinary putty, Birla White Wallcare Putty is environment-friendly and doesn't contain lead, oil, toxic materials or synthetic agents. Thus, it keeps you healthy and the environment too. Birla White Wallcare Putty has anti-carbonation properties, hence when applied on exteriors, it protects the reinforcement bars from corrosion. Also, it prevents the growth of algae, fungi and keeps your walls flake-free. So, now while keeping your walls beautiful, you can choose an eco-friendly way of life too.









Birla White (Unit: UltraTech Cement Limited):

Ground Floor, Ahura Centre, 82, Mahakali Caves Road, Near M.I.D.C. Office, Andheri (E), Mumbai - 400 093.

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Standalone Financial Statements

TO THE MEMBERS OF ULTRATECH CEMENT LIMITED

- 1. We have audited the attached Balance Sheet of ULTRATECH CEMENT LIMITED ("the Company") as at March 31, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto, in which are incorporated the Returns from the Jafrabad, Magdalla and Ratnagiri branches (three branches) audited by the branch auditors. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the three branches audited by the branch auditors;
 - iii) the reports on the accounts of the Jafrabad, Magdalla and Ratnagiri branches audited by the branch auditors have been forwarded to us and have been dealt with by us in preparing this report;
 - (iv) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account and the audited branch Returns;
 - (v) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. On the basis of the written representations received from the Directors as on March 31, 2012 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants (Registration No.117366W)

B. P. Shroff Partner (Membership No. 34382)

MUMBAI, April 23, 2012

For **G. P. KAPADIA & Co.** Chartered Accountants (Registration No.104768W)

Atul B. Desai Partner (Membership No. 30850)

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/ activities/ results clauses (x) regarding cash loss incurred by the Company, (xiii) regarding chit fund, nidhi/ mutual benefit fund/ societies and (xiv) regarding dealing or trading in shares, securities, debentures and other investments of paragraph 4 of the Order are not applicable.
- (ii) In respect of its fixed assets:
 - The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Some of the fixed assets were physically verified during the year by the Management in accordance with a program of verification in terms of which all the fixed assets are physically verified over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories:
 - a. As explained to us, inventories were physically verified during the year by the Management at reasonable intervals. In respect of inventory lying with third parties, confirmations have been obtained from those parties.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (vi) To the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements, particulars of which needed to be entered in the Register maintained under Section 301 of the Companies Act, 1956.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public in terms of the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and the nature of it's business.

- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.
 - b. There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2012 for a period of more than six months from the date they became payable.
 - c. Details of dues of Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2012 on account of disputes are given below:

Name of statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (Assessment Years)	Amount (₹ in Crores)
Sales Tax Act / Value Added Tax Act	Sales Tax and interest	Supreme Court	1999-2000 2001-2004	45.87
		High Court	1994-2006	17.75
		Tribunal(s)	1988-1996 1999-2002 2002-2004 2005-2008	45.00
		Appellate Authorities	1994-1995 1997-2012	40.44
		Assessing Officers	1997-1999 2001-2003 2004-2008 2009-2012	1.26
Central Excise Act	Excise Duty, penalty and interest	Supreme Court	1999-2000 2001-2004 2007-2008	9.03
		High Court	1998-1999 2000-2004 2005-2007	13.83
		Tribunal(s)	1995-2011	140.43
		Appellate Authorities	1991-2012	47.76
		Assessing Officers	1996-2000	1.47

Name of statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (Assessment Years)	Amount (₹ in Crores)
Service Tax Act	Service Tax	High Court	2006-2008	0.09
		Tribunal(s)	1996-2012	49.21
		Appellate Authorities	2001-2012	15.16
Customs Act	Custom Duty	Supreme Court	2001-2002	0.11
	and penalty	High Court	2002-2006	15.18
		Tribunal(s)	2009-2010	2.74
		Appellate Authorities	2003-2007	0.05
Cess (Excluding		Supreme Court	2002-2012	25.47
Education Cess)		High Court	2005-2007 2008-2012	14.73
		Others	2006-2007 2011-2012	8.21
Income Tax Act	Income Tax	High Court	2001-2006	0.47
		Appellate Authorities	2009-2010	0.21
		Assessing Officer	2005-2006	0.09

- (xi) In our opinion and according to the information and explanations given to us and based on the records of the Company, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has given guarantees for loans taken by subsidiaries from banks or financial institutions. The terms and conditions of which are not prejudicial to the interest of the Company.
- (xiv) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans availed by the Company were, applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xv) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, funds raised on short-term basis have not been used during the year for long-term investment.
- (xvi) According to the information and explanations given to us and the records examined by us, during the year, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvii) According to the information and explanations given to us and the records examined by us, during the period covered by our audit report, the Company has not issued any debentures.

(xviii) During the year, the Company has not raised money by public issues.

(xix) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants (Registration No.117366W)

B. P. Shroff Partner (Membership No. 34382) Mumbai, April 23, 2012 For **G. P. KAPADIA & Co.** Chartered Accountants (Registration No.104768W)

Atul B. Desai Partner (Membership No. 30850)

₹ in Crores

Particulars	Notes	As at March 31, 2012		As at March 31, 2011
QUITY AND LIABILITIES			•	•
Shareholders' Funds				
Share Capital	2	274.07		274.04
Reserves and Surplus	3	12,585.75		10,392.00
'			12,859.82	10,666.04
Non-Current liabilities				·
Long-term Borrowings	4	3,648.19		2,314.66
Deferred Tax Liabilities (Net)	5	1,737.77		1,730.05
Other Long-term Liabilities	6	3.53		2.20
Long-term Provisions	7	120.57		112.40
			5,510.06	4,159.3
Current Liabilities				
Short-term Borrowings	8	159.94		320.40
Trade Payables	9	2,089.70		1,698.74
Other Current Liabilities	10	1,623.51		2,688.96
Short-term Provisions	7	700.17		461.08
			4,573.32	5,169.18
TOTAL			22,943.20	19,994.53
ASSETS				
ION-CURRENT ASSETS				
Fixed Assets	11			
Tangible Assets		11,597.24		11,362.9
Intangible Assets		36.94		37.28
Capital Work-in-Progress		1,895.99		681.69
Intangible Assets under Developm	nent	0.64		0.14
		13,530.81		12,082.08
Non-Current Investments	12	1,147.83		272.53
Long-Term Loans and Advances	13	1,462.42		561.7
			16,141.06	12,916.36
Current Assets				
Current Investments	14	2,640.94		3,457.79
Inventories	15	2,035.94		1,956.52
Trade Receivables	16	765.96		602.29
Cash and Bank Balances	17	188.19		144.79
Short-term Loans and Advances	13	1,163.58		904.49
Assets held for Disposal		0.15		1.22
Other Current Assets	18	7.38		11.0
			6,802.14	7,078.17
Total			22,943.20	19,994.53

Accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

For DELOITTE HASKINS & SELLS Chartered Accountants B. P. SHROFF Partner

For G. P. KAPADIA & CO. Chartered Accountants ATUL B. DESAI Partner

K. C. BIRLA Sr. Executive President & CFO S. K. CHATTERJEE Company Secretary

R. C. BHARGAVA Director O. P. PURANMALKA Whole-time Director

Mumbai, April 23, 2012

			₹ in Crores
	Notes	Year ended	Year ended
		31.03.2012	31.03.2011
Revenue			
Sale of Products and Services (Gross)	19	20,433.09	14,854.85
Other Operating Revenues	20	146.75	106.42
		20,579.84	14,961.27
Less: Excise Duty		2,266.71	1,648.69
Revenue from Operations (Net)		18,313.13	13,312.58
Other Income	21	371.87	155.45
Total Revenue (I)		18,685.00	13,468.03
Expenses			
Cost of Raw Materials Consumed	22	2,377.70	1,803.70
Purchase of Stock-in-Trade	23	177.34	122.05
Changes in Inventories of Finished Goods,		21.26	(61.85)
Work-in-Progress and Stock-in-Trade	24		
Employee Benefits Expense	25	831.04	665.16
Power and Fuel		4,303.97	3,125.17
Freight and Forwarding Expenses	26	3,734.99	2,880.29
Other Expenses	27	2,758.52	2,122.47
		14,204.82	10,656.99
Less: Captive Consumption of Cement {Net of Excise ₹ 34.95 Crores, (Previous Year ₹ 9.35 Crores)}	e Duty	(39.11)	(10.51)
Total Expenses (II)		14,165.71	10,646.48
Profit before Interest, Depreciation and Tax (PBID	T) (I)-(II)	4,519.29	2,821.55
Interest and Finance Expenses	28	223.86	272.52
Depreciation and Amortisation	29	902.56	765.73
Profit before Tax		3,392.87	1,783.30
Income Tax Expenses:			
Current Tax		948.97	507.83
Excess tax provision reversal related to earlie	er year	(10.01)	(125.52)
Deferred Tax (Credit) / Charge		7.72	(3.24)
Profit for the Year		2,446.19	1,404.23
Earnings Per Equity Share (Face Value ₹ 10 each	h) 38		
Basic (in ₹)		89.26	62.74
Diluted (in ₹)		89.22	62.72
Accounting Policies	1		

Accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA Chairman

For DELOITTE HASKINS & SELLS Chartered Accountants B. P. SHROFF Partner Mumbai, April 23, 2012 For G. P. KAPADIA & CO. Chartered Accountants ATUL B. DESAI Partner K. C. BIRLA Sr. Executive President & CFO S. K. CHATTERJEE Company Secretary R. C. BHARGAVA
Director
O. P. PURANMALKA
Whole-time Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	Particulars	As at March 31, 2012	As at March 31, 2011
(Δ)	Cash Flow from Operating Activities:	Water 31, 2012	IVIAIGIT 51, 2011
\^\/	Profit before tax	3.392.87	1.783.30
	Adjustments for:	0,002.07	1,700.00
	Depreciation and Obsolescence	902.56	765.73
	Compensation Expenses under Employees Stock Options Scheme	0.83	0.86
	Provision for Doubtful Debts and Advances / (Written back)	0.17	(3.29)
	Bad Debts Written-off	0.24	0.09
	Excess Provision written back (Net)	(41.50)	(7.70)
	Provision for Wealth Tax	1.94	1.72
	Provision for Retirement Benefits	(6.45)	31.65
	Provision for Mines Restoration	2.17	1.85
	Interest and Dividend Income	(47.78)	(122.34)
	Interest and Finance Charges	223.86	272.52
	Unrealised Foreign Exchange (Gain)/Loss	(0.55)	(1.20)
	Unrealised Loss on Investments	0.12	-
	(Profit)/Loss on Sale of Fixed Assets	(0.44)	0.04
	(Profit)/Loss on Sale of Current Investments	(249.83)	(18.36)
	Operating Profit before Working Capital Changes	4,178.21	2,704.87
	Movements in Working Capital:		,
	Increase/(decrease) in Trade Payable and other Liabilities	551.41	89.59
	Decrease/(Increase) in Trade Receivables	(163.91)	(96.49)
	Decrease/(Increase) in Inventories	(79.42)	(119.60)
	Decrease/(Increase) in Loans and Advances	(306.73)	(26.56)
	Cash Generated from Operations	4,179.56	2,551.81
	Taxes paid	(733.98)	(517.89)
	Expenditure for Mines Restoration	(2.18)	-
	Net Cash Generated from Operating Activities (A)	3,443.40	2,033.92
(B)		3,00000	_,,,,,,,
	Purchase of Fixed Assets	(3,147.36)	(1,187.62)
	Sale of Fixed Assets	4.11	5.91
	Expenditure for Cost on Assets transferred from SCL, pursuant to Scheme of Amalgamation	(21.83)	(25.00)
	(Purchase) / Proceeds of Non Current Investments	(861.46)	(25.05)
	Investment in Subsidiaries / Joint Venture	(13.84)	(190.08)
	(Purchase) / Proceeds of Current Investments	816.73	(326.66)
	Profit on Sale of Current Investments	249.83	18.36
	Interest/Dividend Received	47.78	122.08
	Net Cash used in Investing Activities (B)	(2,926.04)	(1,608.06)
(C)			, , ,
,	Proceeds from Issue of Share Capital	1.57	1.41
	Repayment of Long Term Borrowings	(980.80)	(298.33)
	Proceeds from Long Term Borrowings	1,147.54	122.56
	Proceeds / (Repayment) of Short Term Borrowings	(160.46)	177.02
	Interest paid	(290.72)	(293.52)
	Dividend Paid	(164.42)	(120.48)
	Corporate Dividend Tax	(26.67)	(20.02)
	Net Cash Generated / (Used) from Financing Activities (C)	(473.96)	(431.36)
Net	Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	43.40	(5.50)
	h and Cash Equivalents at the Beginning of the Year	144.79	83.73
Cas	h and Cash equivalents transferred from SCL as on 01.07.10, suant to Scheme of Amalgamation	-	66.56
	h and Cash Equivalents at the End of the Year	188.19	144.79

Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 notified under the Companies (Accounting Standard) Rules, 2006.

Purchase of fixed assets includes movements of capital work-in-progress (including Capital Advances) during the year.

Cash and Cash equivalents represent cash and bank balances.

Accounting Policies Note 1 Accompanying Notes are an integral part of the Financial Statements.

Partner

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

For DELOITTE HASKINS & SELLS Chartered Accountants B. P. SHROFF Partner

For G. P. KAPADIA & CO. Chartered Accountants ATUL B. DESAI

K. C. BIRLA Sr. Executive President & CFO S. K. CHATTERJEE

Company Secretary

R. C. BHARGAVA Director O. P. PURANMALKA

Whole-time Director

Mumbai, April 23, 2012

Note 1 - Significant Accounting Policies:

(i) Basis of Accounting:

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. These financial statements comply in all material aspects with the Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable, other pronouncements of the Institute of Chartered Accountants of India (ICAI), with the relevant provisions of the Companies Act, 1956 and applicable guidelines issued by the Securities and Exchange Board of India (SEBI).

(ii) Use of estimates:

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reported period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(iii) Fixed Assets:

Fixed assets (whether Tangible or Intangible) are stated at cost less accumulated depreciation / amortisation / impairment loss (if any), net of Modvat / Cenvat (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalisation criteria are met and other incidental expenses incurred in relation to their acquisition / bringing the assets for their intended use.

Fixed Assets held for disposal are stated at lower of net book value and net realisable value.

(iv) Expenditure during construction period:

Expenditure / Income, during construction period is included under Capital-Work-in-Progress and the same is allocated to the respective fixed assets on the completion of their construction.

(v) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred

The difference between the face value and the issue price of 'Discounted Value Non-Convertible Debentures', being in the nature of interest, is charged to the statement of Profit and Loss, on a compound interest basis determined with reference to the yield inherent in the discount.

(vi) Depreciation and Amortisation:

Depreciation is provided on straight-line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except for some assets which are at higher rates consequent of management estimate of useful life of the same, as stated under:

No.	Fixed Asset	Useful life of the assets
1	Company Vehicles (other than those provided to the employees)	5 Years
2	Roads, Culverts, Walls, Buildings etc., within factory premises	30 Years
3	Computer and Office Equipments	4 Years
4	Furniture and Fixtures	7 years
5	Mobile Phones	3 years
6	Motor Cars given to the employees as per the Company's Scheme	Scheme Period
7	Leasehold Land and Mining Lease	Period of the Lease
8	Assets not owned by the Company	As per period specified in the agreement, else 5 years
9	Expenditure incurred on Jetty	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
10	Assets acquired up to September 30, 1987	Rates prevailing at the time of acquisition
11	Softwares	3 years

Depreciation is provided on a pro-rata basis from the month of installation or acquisition and in case of projects, from the month when ready for commercial production. Depreciation on deductions / disposals is provided on a pro-rata basis upto the month preceding the month of deductions / disposals.

(vii) Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or has decreased.

(viii) Foreign Currency Transactions:

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.
- b) In respect of forward exchange contracts, premium or discount, being the difference between the forward exchange rate and the exchange rate at the inception of contract is recognised as expense or income over the life of the contract.

- c) Exchange difference including premium or discount on forward exchange contracts, relating to borrowed funds, liabilities and commitments in the foreign currency for acquisition of fixed assets, arising till the assets are ready for their intended use, are adjusted to cost of fixed assets. Any other exchange difference either on settlement or translation is recognised in the Statement of Profit and Loss.
- d) Investment in equity capital of companies registered outside India are carried in the Balance Sheet at the rates at which transactions have been executed.

(ix) Derivatives:

Financial Derivative Instruments

Derivative instruments are used to hedge risk associated with foreign currency fluctuations and interest rates. The derivative contracts are closely linked with the underlying transactions and are intended to be held till maturity. These are accounted on the date of their settlement and realised gain/loss in respect of settled contracts is recognised in the Statement of Profit and Loss.

Commodity Hedging

The realised gain or loss in respect of commodity hedging contracts, the pricing period of which has expired or contracts cancelled during the year, are recognised in the Statement of Profit and Loss. However, in respect of contracts, the pricing period of which extends beyond the Balance Sheet date, suitable provision for likely loss, if any, is made in the accounts.

(x) Investments:

Investments, that are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments/non-current investments

Long-term investments are carried at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment. Current investments are carried at lower of cost and fair value determined for each category of investments.

(xi) Inventories:

Inventories are valued at the lower of cost and net realisable value except waste / scrap which is valued at net realisable value. The cost is calculated on weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(xii) Employee Benefits:

a) Short term employee benefits

Short term employee benefits are recognised as an expense on accrual basis.

b) Defined Contribution Plan

Contributions payable to recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognised as expense in the Statement of Profit and Loss, as they are incurred.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

c) Defined Benefit Plan

The obligation in respect of defined benefit plans, which cover Gratuity, Pension and Post retirement medical benefits, are provided for on the basis of an actuarial valuation, using the

projected unit credit method, at the end of each financial year. Gratuity is funded with an approved fund. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

d) Other Long Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

(xiii) Employee Share based payments:

The Company follows intrinsic value method for valuation of Employee Stock Options. In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the excess of market price of shares at the time of grant of options, over the exercise price to be paid by the option holder is considered as employee compensation expense and is amortised in the Statement of Profit and Loss over the period of vesting, adjusting for the actual and expected vesting.

(xiv) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax reflects the impact of timing difference between accounting income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation which are recognised based on virtual certainty, that the assets will be realised in future.

(xv) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- a) Sales are recognised on transfer of significant risks and rewards of ownership of the goods to the buyer. Sales are net of Sales Tax, VAT, trade discounts, rebates and returns but include excise duty.
- b) Income from services is recognised as they are rendered, based on agreement/arrangement with the concerned parties.
- c) Dividend income is accounted for when the right to receive the income is established. Interest income is recognised on accrual basis.
- d) Export incentives, insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

(xvi) Mines Restoration Expenditure:

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

(xvii) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of

which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent Liabilities are not recognised but are disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.

(xviii) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(xix) Government Grants and Subsidies:

- a) Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and that the grants will be received.
- b) Capital Government Grants or Subsidies relating to specific fixed assets are deducted from the gross value of the respective fixed assets and capital grants for projects are credited to Capital Reserve.
- c) Revenue Government Grants or Subsidies relating to an expense item are recognised as income over the period to match them on a systematic basis to the costs or deducted from related expenses.

(xx) Segment Reporting Policies:

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geography in which major operating divisions of the Company operate.

(xxi) Research and development expenditure:

Revenue expenditure on research and development is expensed as incurred. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Company.

(xxii) Operating lease:

Leases where significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss.

(xxiii) Current / Non current:

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

NOTE 2 SHARE CAPITAL

	ARE CAPITAL			₹	in Crores
		IV	As at larch 31, 2012	March	As at 31, 2011
Au	thorised				<u> </u>
	0,000,000 Equity shares of ₹ 10 each evious year 280,000,000)		280.00		280.00
274	ued, Subscribed and Fully Paid-up ,065,301 Equity shares of ₹ 10 each y paid-up. (Previous Year 274,041,665)		274.07		274.04
(a)	Reconciliation of the Shares Outstand beginning and at the end of the Repor		Amount (₹ Crs)	No of Shares	Amount (₹ Crs)
	At the beginning of the period	274,041,665	274.04	124,487,079	124.49
	Add: Shares issued to the shareholders of erstwhile Samruddhi Cement Limited (SCL), pursuant to scheme of amalgamation	-	-	149,533,469	149.53
	Add: Shares issued under Employees Stock Options Scheme	23,636	0.03	21,117	0.02
	Outstanding at the end of the period	274,065,301	274.07	274,041,665	274.04
(b)	Shares held by Holding Company				
	Grasim Industries Limited	165,335,150	165.34	165,335,150	165.34
(c)	List of shareholders holding more than 5% of Paid-up Equity Share Capital	n No of	%	No of	%
		Shares	Holding	Shares	Holding
	(i) Grasim Industries Limited	165,335,150	60.33%	165,335,150	60.33%
	(ii) Life Insurance Corporation of India	-	-	13,694,395	5.00%
		No of Shares	Amount (₹ Crs)	No of Shares	Amount (₹ Crs)
(d)	Equity Shares of ₹ 10 each reserved for issue under Employees Stock Option Scheme (Refer note 42)	243,202	0.24	268,468	0.27
(e)	Aggregate no. of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:				
	Equity shares of ₹ 10 each issued as fully paid up to the shareholders of erstwhile SCL, pursuant to the Scheme of Amalgamation. {Excluding issue of 8,518 Equity Shares kept in abeyance against shares of Grasim Industries Limited.}	149,533,469	149.53	149,533,469	149.53
	Equity shares of ₹ 10 each issued as fully paid up to the shareholders of erstwhile Narmada Cement Company Limited (NCCL), pursuant to the Scheme of Amalgamation.	87,258	0.09	87,258	0.09
(f)	Equity Shares of ₹ 10 each represented by Global Depository Receipts (No Voting Rights)	5,523,739		5,769,289	-

NOTE 3
RESERVES AND SURPLUS

As at March 31, 2012	Capital Reserve	Cash Subsidy Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Out- standing Account#	Surplus as per Statement of Profit and Loss	₹ in Crores Total
Opening Balance	25.32	0.10	195.89	7,380.31	2.01	4.7 <mark>8</mark>	2,783.59	10,392.00
Additions during the year	-	-	28.50	2,200.00	2.11*	0.27	2,446.19	4,677.07
Deductions during the year	-	-	(100.00)	-	-	-	(2,128.50)	(2,228.50)
Proposed dividend (including Corporate dividend Tax)	-	-	-	-	_	_	(254.82)	(254.82)
Closing Balance	25.32	0.10	124.39	9,580.31	4.12	5.05	2,846.46	12,585.75

As at March 31, 2011

	Capital Reserve	Cash Subsidy Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Out- standing Account*	Surplus as per Statement of Profit and Loss	Total
Opening Balance	25.02	0.10	90.72	1,636.86	0.10	1.99	2,729.37	4,484.16
Transferred from SCL as on 01.07.10, pursuant to scheme of Amalgamation	0.30	-	46.25	4,643.45	-	2.48	-	4,692.48
Additions during the year	-	-	58.92	1,100.00	1.91*	0.31	1,404.23	2,565.37
Deductions during the year	-	-	-	-	-	-	(1,158.92)	(1,158.92)
Proposed dividend (including Corporate dividend Tax)	-	-	-	-	-	-	(191.09)	(191.09)
Closing Balance	25.32	0.10	195.89	7,380.31	2.01	4.78	2,783.59	10,392.00

^{*} On account of Employees Stock Options exercised during the year.

Note 3.1 - The Board of Directors has recommended a dividend of ₹ 8 per share for the year ended March 31, 2012 (Previous year ₹ 6 per share). Total Cash outflows on account of dividend ₹ 219.25 Crores (Previous Year ₹ 164.42 Crores) and on account of Corporate Dividend Tax ₹ 35.57 Crores. (Previous Year ₹ 26.67 Crores)

[#] Net of Deferred Employees Compensation Expenses ₹ 0.70 Crore. (Previous Year ₹ 1.57 Crores).

NOTE 4 LONG-TERM BORROWINGS

₹ in Crores

	Long-Term		Current Long-Term	Maturity of Borrowings*
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Secured:				
Non-Convertible Debentures	523.63	637.44	115.00	400.00
Term Loans from Banks:				
In Foreign Currency	922.57	236.82	31.27	858.64
In Local Currency	450.00	450.00	-/	-
	1,372.57	686.82	31.27	858.64
Sales Tax Deferment Loan	17.90	8.20	-	-
	1,914.10	1,332.46	146.27	1,258.64
Unsecured:				
Term Loans from Banks - In Foreign Currency	1,308.09	526.44	133.66	234.43
Sales Tax Deferment Loan	426.00	455.76	62.83	16.49
	1,734.09	982.20	196.49	250.92
Total	3,648.19	2,314.66	342.76	1,509.56

^{*} Amount disclosed under the head "Other Current Liabilities" (Note10)

Particulars	As at March 31, 2012	As at March 31, 2011
(a) Non - Convertible Debentures (NCDs)		
(i) Fixed Rate NCDs		
8.01% NCDs (Redeemable at par on July 14, 2016, Put and Call Option to both parties on July 14, 2014)	200.00	200.00
8.80% NCDs (Redeemable at par on December 30, 2015, Put and Call Option to both parties on December 30, 2013)	100.00	100.00
10.48% NCDs (Redeemable at par on December 16, 2013)	200.00	200.00
10.525% NCDs (Redeemable at par on August 21, 2013, Put and Call Option to both parties on August 22, 2011)	-	200.00
6.65% NCDs (Redeemable at par on April 30, 2013)	5.00	5.00
9.35% Step up interest NCDs (Redeemable at par on September 16, 2012)	25.00	25.00
8.25% NCDs (Redeemable at par on September 2, 2012)	65 .00	65.00
8.30% NCDs (Redeemable at par on September 2, 2012)	25.00	25.00
(ii) Floating Rate NCDs		
MIBOR Linked NCDs (Redeemable at par on May 13, 2011)	-	200.00
(iii) Discounted Value NCDs		
Zero coupon NCDs, yield to maturity of 6.80% (Face Value ₹ 20 crores, previous year ₹ 20 crores, Redeemable at par on April 30, 2013)	18.63	17.44
	638.63	1,037.44
Less: Current Portion of NCDs shown under Other Current Liabilities	(115.00)	(400.00)
Total	523.63	637.44

The Company retains the option to purchase the NCDs in the secondary market and cancel, hold, or reissue the same at such price and on such terms as the Company may deem fit or as permitted under the Law. NCDs repurchased have not been kept alive for reissuance as at March 31, 2012.

The NCDs are secured by way of first charge, having *pari passu* rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

				₹ in Crores
Particulars		Repayment Schedule	As at March 31, 2012	As at March 31, 2011
(b) Term Loans from Ba	nks in Foreign Currency	1		
Secured:				
Hongkong & Shanghai Ltd., Singapore (Japan	Banking Corporation ese Yen 208.80 Crores)	In 3 equal annual installments beginning September 2012	93.82	93.82
DBS Bank Ltd., Singar (Japanese Yen 184.80		January 2014	98.40	98.40
HSBC Bank (Mauritius Mauritius (US Dollar 0 Previous Year: US Doll	.78 Crores;	October 2016	38.19	45.67
Credit Agricole Corpora Singapore (Japanese Y Previous year: Japanes		December 2016	113.52	111.12
Cooperative Central Ra Boerenleenbank B.A. (Trading as Rabo International Japanese Yen 270.00 (Previous year: Japane	national. Singapore) Crores;	In 3 equal annual installments beginning March 2014	162.16	181.39
BNP Paribas, Singapor (Japanese Yen 130.00 Previous year: Japanes	Crores;	March 2017	78.53	88.95
DBS Bank Ltd., Singar (Japanese Yen 240.00 Previous year: Japanes	Crores;	March 2017	145.22	227.08
HSBC Bank (Mauritius Mauritius (USD 5.00 C Previous year: USD 1.0	Crores;	May 2016	224.00	44.60
Hongkong & Shanghai Mauritius (Nil; Previous Japanese Yen 233.00 (July 2011	-	93.50
Credit Agricole Corpore Singapore (Nil; Previou Japanese Yen 211.00 C		September 2011		92.93
Standard Chartered Ba (Nil; Previous year: Jap	ank, London panese Yen 44.90 Crores)	April - July 2011	-	18.00
			953.84	1,095.46
Less: Current Portion of shown under Other Co	of Foreign Currency Loans urrent Liabilities	5	(31.27)	(858.64)
Total			922.57	236.82

The foreign currency loans are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders/ trustees.

				₹ in Crores
Par	ticulars	Repayment Schedule	As at March 31, 2012	As at March 31, 2011
(b)	Term Loans from Banks in Foreign Currency			
	Unsecured: Mizuho Corporate Bank, Singapore (Japanese Yen 367.00 Crores)	October 2012	133.66	133.66
	Sumitomo Mitsui Banking Corporation and Bank of Nova Scotia, Singapore (Japanese Yen 485.45 Crores)	December 2013	245.84	245.84
	Mizuho Corporate Bank, Singapore (Japanese Yen 191.80 Crores)	December 2013	102.35	102.35
	Mizuho Corporate Bank, Singapore (US Dollar 5.00 Crores; Previous Year: US Dollars 1.00 Crore)	May 2016	224.00	44.60
	Mizuho Corporate Bank, Singapore (US Dollar 7.50 Crores; Previous year: Nil)	October 2016	369.15	-
	Sumitomo Mitsui Banking Corporation, Singapore (US Dollars 7.50 Crores; Previous year: Nil)	3 equal annual installment beginning November 2015	366.75	-
	Mizuho Corporate Bank, Singapore (Nil; Previous year: Japanese Yen 46.00 Crores)	September 2011	•	18.44
	Bank of Tokyo Mitsubishi UFJ, Singapore (Nil, Previous year: Japanese Yen 46.00 Crores)	October 2011	-	18.50
	State Bank of India, Singapore (Nil; Previous year: US Dollars 4.00 Crores)	March 2012	-	176.60
	Credit Agricole Corporate & Investment Bank, Singapore (Nil; Previous year: Japanese Yen 24.54 Crores)	April 2011	•	9.93
	Banque Des Mascareignes Ltee, Mauritius (Nil; Previous year: US Dollars 0.26 Crores)	June 2011	-	10.96
			1,441.75	760.88
	Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(133.66)	(234.43)
	Total		1,308.09	526.45
(c)	Term Loans from Banks in Local Currency: Axis Bank Ltd.	January 2017	200.00	200.00
	HDFC Bank Ltd.	In 3 annual installments	250.00	250.00
	The state of the s	beginning: December 2015 (30%), December 2016 (30%) and December 2017 (40%)		200.00
	Total		450.00	450.00
	Rupee Term loans from banks are secured by vimmovable assets (save and except stocks and Company's location.	vay of first charge, having pari book debts), both present and	passu rights, o I future, situate	on movable and d at one of the
(d)	Sales Tax Deferment Loan:			
	Secured:	Maria di Assara di Dansa da fasa a	47.00	0.00
	Department of Industries & Commerce, Haryana	Varied Annual Payments from January 2015 to March 2017	17.90	8.20
	Sales Tax Deferment Loan is secured by bank g hypothecation of stocks and book debt of the C Unsecured :	juarantee backed by Company.		
	Commercial Tax Department, Chattisgarh	Varied Annual payments from	81.14	81.14
	·	April 2012 to April 2016		
	Commercial Tax Department, Vellore	Varied Monthly payments from March 2013 to February 2014	82.67	82.67
	SICOM Limited, Mumbai	Varied annual payments in April 2012 and April 2013	9.52	25.06
	Commercial Tax Department, Gandhinagar	Varied Annual payments in April 2013 and April 2014	1.71	2.29
	Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2025	313.68	280.98
	Commercial Tax Department, Chattisgarh	Payable in FY13	0.11	0.11
	Total		488.83	472.25
_	Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities	S	(62.83)	(16.49)
	Total		426.00	455.76

Note 5 **DEFERRED TAX LIABILITIES (Net)**

₹ in Crores

Particulars	Deferred Tax (Assets) / Liabilities as at 01.04.2011	Current Year Charge	Deferred Tax (Assets) / Liabilities as at 31.03.2012	
Deferred Tax Assets:				
Provision allowed under tax on payment basis	(161.61)	16.38	(145.23)	
	(161.61)	16.38	(145.23)	
Deferred Tax Liabilities:				
Accumulated Depreciation	1,884.27	(1.27)	1,883.00	
Payment allowed under tax not expensed in books	7.39	(7.39)	-	
	1,891.66	(8.66)	1,883.00	
Net Deferred Tax Liability	1,730.05	7.72	1,737.77	

Deferred Tax benefits are recognised on assets to the extent that it is more likely than not, future taxable profit willm be available against which the asset can be utilised.

NOTE 6 **OTHER LONG-TERM LIABILITIES**

Particulars	As at	As at
	March 31,	March 31,
	2012	2011
Trade Payables (other than Micro, Small &	3.53	2.20
Medium Enterprises; refer Note 9.1)		

NOTE 7 **PROVISIONS**

	Lon	Short Term		
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
For Employee Benefits	114.70	104.65	13.79	30.29
For Mines Restoration Expenditure	5.87	7.75	3.50	1.63
For Cost of Assets transferred	-	-	172.54	194.37
For Tax (net of Advance Tax)	-	-	255.52	43.70
For Proposed Dividend	-	-	219.25	164.42
For Corporate Dividend Tax	-	-	35.57	26.67
	120.57	112.40	700.17	461.08

Note 7.1 - Movement of provisions during the period as required by Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Asset" notified under the Companies (Accounting Standard) Rules, 2006 (as amended):

(a) Mines Restoration Expenditure:		
Opening Balance	9.38	6.70
Transferred from SCL as on 01.07.2010, pursuant to Scheme of Amalgamation		0.83
Add: Provision during the year	2.17	1.85
Less: Utilisation during the year	(2.18)	-
Closing Balance	9.37	9.38

			₹ in Crores
		As at March 31, 2012	As at March 31, 2011
(b) Provision for Cost of Transfer of Assets:			
Opening Balance		194.37	
Transferred from SCL as on 01.07.2010, pursuant to Scheme of Amalgamation		-	131.16
Add: Provision during the year		-	88.21
Less: Utilisation during the year		(21.83)	(25.00)
Closing Balance		172.54	194.37
Secured: Loans repayable on demand: From Banks - Cash Credits / Working Capital Borrowings (Secured by Hypothecation of Stocks and Book Debts of the Company)		97.99	198.66
Unsecured:			
From Banks	52.18		115.77
From Others	9.77		5.97
		61.95	121.74
		159.94	320.40
NOTE 9 TRADE PAYABLES Due to Micro, Small & Medium Enterprises		0.11	1.15
(To the extent identified with available information)		0.11	1.10
Due to Others		2,089.59	1,697.59

Note 9.1 - There is no principal amount and interest overdue to Micro, Small and Medium Enterprises.

During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

2,089.70

1,698.74

NOTE 10 OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Refer Note 4)	342.76	1,509.56
Interest Accrued but not due on Borrowings	62.12	76.00
Investor Education and Protection fund, will be credited with following amounts (as and when due) Unpaid Dividends	2.93	2.36
Liability for Capital Goods	29.47	34.92
Others (including Security and other Deposits, Advances from Customers, etc.)	1,186.23	1,066.12
	1,623.51	2,688.96

Note 11

Fixed Assets											₹ in Crores
Particulars			Gross Bloc	k				Deprecia	tion		Net Block
	As at	Other	Additions	Deductions/	As at	As at	Other	For the	Deductions/	Upto	As at
		Adjustments		Adjustments	March 31,		Adjustments	year	Adjustments		
(A) T 21 A .	2011				2012	2011				2012	2012
(A) Tangible Assets											
Land: Freehold Land	050.66		224.07		1.005.00						1 005 62
	850.66	-	234.97	- 0.00	1,085.63	01.75	-	0.70	0.01	00.44	1,085.63
Leasehold Land	88.17	-	12.41	0.02	100.56	21.75	-	6.70	0.01	28.44	72.12
Buildings	1,247.45	-	146.95	5.37	1,389.03	307.64	-	37.79	4.04	341.39	1,047.64
Railway Sidings	292.33	-	16.83	-	309.16	149.91	-	13.89	-	163.80	145.36
Plant and Machinery:	4404004		070.50	4704	45 570 70	F 700 4F		704.00	04.70	0.450.04	0.400.00
Own	14,949.04	-	672.52	47.84	15,573.72	5,700.15	-	784.39	31.70	6,452.84	
Given on Lease	55.42	-		-	55.42	38.65	-	2.75	-	41.40	14.02
Office Equipments	170.33	-	22.93	10.41	182.85	123.89	-	17.71	10.06	131.54	51.31
Furniture and Fixtures	86.02	-	17.26	1.28	102.00	61.10	-	8.43	1.18	68.35	33.65
Jetty	80.60	-	-	-	80.60	76.49	-	1.64	-	78.13	2.47
<u>Vehicles</u>	42.55	-	9.75	5.46	46.84	20.02	-	6.53	3.87	22.68	24.16
Total Tangible Assets	17,862.57	-	1,133.62	70.38	18,925.81	6,499.60	-	879.83	50.86	7,328.57	11,597.24
(B) Capital Work-in-Progres	s										1,895.99
(C) Intangible Assets											
Software	41.33	-	8.41	0.08	49.66	32.04	-	7.69	0.06	39.67	9.99
Mining Rights	38.37	-	-	-	38.37	10.38	-	1.04	-	11.42	26.95
Total Intangible Assets	79.70	-	8.41	0.08	88.03	42.42	-	8.73	0.06	51.09	36.94
(D) Intangible Assets under Development											0.64

Particulars			Gross Bloc	k		Depreciation Ne			Net Block		
	As at March 31, 2010	Assets transferred from SCL 01.07.2010	Additions	Deductions/ Adjustments	As at March 31, 2011	As at March 31, 2010	Assets transferred from SCL 01.07.2010	For the year	Deductions/ Adjustments	Upto March 31, 2011	As at March 31, 2011
(A) Tangible Assets											
Land:	470.70	500.00	450.00		050.00						250.00
Freehold Land	170.73	523.90	156.27	0.24	850.66	-		-	-	-	850.66
Leasehold Land	19.84	60.79	7.77	0.23	88.17	7.33	10.16	4.28	0.02	21.75	66.42
Buildings	584.12	541.47	123.57	1.71	1,247.45	179.33	97.60	31.54	0.83	307.64	939.81
Railway Sidings	168.83	115.78	7.89	0.17	292.33	90.28	47.47	12.16	-	149.91	142.42
Plant and Machinery:											
Own	6,891.09	7,628.96	472.78	43.79	14,949.04	2,676.98	2,392.54	666.16	35.53	5,700.15	9,248.89
Given on Lease	29.88	25.54	-	-	55.42	19.81	16.38	2.46	-	38.65	16.77
Office Equipments	70.52	87.15	22.16	9.50	170.33	50.83	65.18	16.83	8.95	123.89	46.44
Furniture and Fixtures	35.09	42.27	10.93	2.27	86.02	27.10	29.61	6.62	2.23	61.10	24.92
Jetty	80.60	-	-	-	80.60	70.05	-	6.44	-	76.49	4.11
Vehicles	16.64	19.50	10.20	3.79	42.55	9.50	7.89	5.24	2.61	20.02	22.53
Total Tangible Assets	8,067.34	9,045.36	811.57	61.70	17,862.57	3,131.21	2,666.83	751.73	50.17	6,499.60	11,362.97
(B) Capital Work-in-Progres	S										681.69
(C) Intangible Assets											
Software	10.80	26.05	4.48	-	41.33	5.25	18.99	7.80	-	32.04	9.29
Mining Rights	-	37.89	0.48	-	38.37	-	9.59	0.79	-	10.38	27.99
Total Intangible Assets	10.80	63.94	4.96	-	79.70	5.25	28.58	8.59	-	42.42	37.28
(D) Intangible Assets under Development											0.14

		March 31, 2012	March 31, 2011
A)	Depreciation for the year	888.56	760.32
	Add: Obsolescence	15.87	5.58
	Less: Depreciation transferred to Pre-operative Expenses	(1.87)	(0.17)
	Depreciation as per Profit and Loss Account	902.56	765.73

Depreciation as per Profit and Loss Account

902.56
765.73

B) 1. Fixed Assets includes assets costing ₹ 257.36 Crores (Previous Year ₹ 238.63 Crores) not owned by the Company.

2. Buildings include ₹ 16.07 Crores (Previous year ₹ 16.07 Crores) being cost of Debentures of and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

3. Gross Block includes Research and Development Assets (Building, Plant & Machinery, Furniture Fixtures, Office Equipments & Intangible Assets) of ₹ 14.59 Crores (Previous year ₹ 12.34 Crores) and Net Block of ₹ 11.39 Crores (Previous year ₹ 9.67 Crores). Addition for the Research and Development Assets during the period is ₹ 4.55 Crores (Previous Year ₹ 2.26 Crores).

4. The title deeds of some of the immovable properties transferred pursuant to the Scheme of Arrangement are yet to be transferred in the name of the Company.

5. Capital Work-in-progress includes:

Pre-operative expenses pending allocation:	Year ended March 31, 2012	Year ended March 31, 2011
Power and Fuel Consumed	0.42	1.49
Salary, Wages, Bonus, Ex-gratia and Provisions	30.26	11.90
Insurance	0.30	0.01
Exchange (Gain) / Loss	5.50	(9.97)
Depreciation	1.87	0.17
Interest and Finance charges	56.59	5.13
Misc. Expenses	33.77	25.60
Total Pre-operative expenses	128.71	34.33
Less: Income	(11.58)	(0.30)
Add: B/f from Previous Year	45.85	1.33
Add: Transferred from SCL as on 01.07.10, pursuant to scheme of Amalgamation	-	18.77
Less: Capitalised during the Year	(9.87)	(8.28)
Balance included in Capital Work-in-Progress	153.11	45.85

		As at	₹ in Crores As at
		March 31, 2012	March 31, 2011
Quoted:			
National Highways Authority of India -	9.89		
Tax Free Bond Series 1 - 8.20%, 2022			
{No. of bonds 98,895; (Previous year Nil)} Power Finance Corporation Limited -	5.70		
Tax Free Bond Series 1 - 8.20%, 2022	5.70		
{No. of bonds 56,958; (Previous year Nil)}			
Indian Railway Finance Corporation Limited -	10.87		
Tax Free Bond Series 80 A - 8.10%, 2027			
{No. of bonds 108,754; (Previous year Nil)}			
Housing and Urban Development Corporation Limited -	50.00		
Tax Free Bond Series 2 - 8.20%, 2027			
(No. of bonds 500,000; (Previous year Nil))			
		76.46	
Jnquoted:			
Frade Investments			
Equity Instruments:			
Subsidiaries:	4.04		4.04
50,000 Equity Shares of ₹ 10 each fully paid in Dakshin Cements Limited (Previous Year 50,000)	1.21		1.21
40,000,000 Equity Shares of Sri Lankan Rupee	23.03		23.03
10 each fully paid in UltraTech Cement Lanka	23.03		23.00
(Pvt.) Limited (Previous Year 40,000,000)			
16,267,966 Equity Shares of UAE Dirham	204.30		193.97
10 each fully paid in UltraTech Cement			
Middle East Investments Limited			
(Previous Year 15,477,756)			
712,500 Equity Shares of Rp. 8,923 each	3.41		
fully paid in PT UltraTech Mining Indonesia			
(Previous Year Nil)	0.10		0.10
50,000 Equity Shares of ₹ 10 each fully paid in Harish Cement Limited	0.10		0.10
(Previous Year 50,000)			
1. 101.000 100. 00/000/		232.05	218.31
Joint Ventures:		202.00	210.01
1,132,560 Equity Shares of ₹ 10 each fully paid	1.13		1.07
in Madanpur (North) Coal Company (P) Limited			
(Previous Year 1,065,580)			
8,141,050 Equity Shares of ₹ 10 each fully paid	8.14		8.10
in Bhaskarpara Coal Company Limited			
(Previous Year 8,096,050)		0.0=	
		9.27	9.17
Mhan lanatan ata		241.32	227.48
Other Investments			
Equity Instruments: 50,000 Equity Shares of ₹ 10 each fully paid		0.05	0.05
in Aditya Birla Ports Ltd. (Previous Year 50,000)		0.05	0.03
Preference Shares:			
2,000,000 4.5% Cumulative Non-Convertible		20.00	20.00
Redeemable Preference Shares of ₹ 100 each		20.00	20.00
fully paid in Aditya Birla Health Services Limited			
(Prévious Year 2,000,000)			
Government or trust securities:			
₹ 42,000 (Previous Year ₹ 42,000) Pledged as		-	
Security Deposit			
Debt Schemes of Various Mutual Funds		040.55	·
No. of units 803,999,827; (Previous year 25,000,000)		810.00	25.00
Annual Deal Value of		1,147 .83	272.50
Aggregate Book Value of:		70.40	
Quoted Investments		76.46	070 5
Unquoted Investments		1,071.37	272.53
		1,147.83	272.53
Aggregate Market Value of Quoted Investments		75.02	

NOTE 13 **LOANS AND ADVANCES**

_		_
₹	ın	(Crores

	Lon	g-Term	Sho	ort Term
	As at	As at	As at	As at
	March 31,	March 31	March 31,	March 31,
	2012	2011	2012	2011
Secured, Considered good:				
Loan against House Property				
(Secured by way of title deeds)	0.05	0.04	0.01	0.04
	0.05	0.04	0.01	0.04
Unsecured			J	
Considered good:				
Capital Advances	1,267.03	423.49	-	-
Security Deposits	50.49	27.38	138.15	124.83
Balance with Government Authorities	134.69	105.74	244.72	256.85
Advances recoverable in cash or in kind or for value to be received	10.16	5.10	515.45	289.96
Advance Tax (net of Provisions)	-	-	115.46	110.56
Loans and advances to related parties	-	-	149.79	122.25
·	1,462.37	561.71	1,163.57	904.45
Considered doubtful:				
Advances recoverable in cash or in kind or for value to be received		-	0.25	0.25
Less: Provision for Doubtful Advances	-	-	(0.25)	(0.25)
	-	-	-	
	1,462.42	561.75	1,163.58	904.49

Note 13.1 - Disclosure as per clause 32 of the listing agreement:

Name of the Subsidiary Companies	Amount Maximum Balance Outstanding Outstanding during the year			Investment by Subsidiary in Shares of the Company (no. of Shares)		
	31.03.12	31.03.11	31.03.12	31.03.11	31.03.12	31.03.11
Dakshin Cements Limited	0.37	0.34	0.37	0.34	-	-
Harish Cement Limited	147.52	121.57	147.52	121.57	-	-
PT UltraTech Mining Indonesia	0.03	-	0.03	-	-	-

(b) Payments made to employees by way of Loans and Advances in the nature of loan where no interest is charged or charged at a rate less than the rate prescribed in Section 372A of the Companies Act, 1956.

Particulars	31.03.12	31.03.11
Outstanding balance	17.30	11.81
Maximum balance outstanding during the year	20.16	15.85

NOTE 14

CURRENT INVESTMENTS (At lower of cost and fair value)

	As at March 31, 2012	As at March 31, 2011
Quoted:		
Investment in Government Securities		
8.79% GOI (Government of India) 2021; (Previous Year Nil)	15.21	-
Unquoted:		
Units of Debt Schemes of Various Mutual Funds	2,625.73	3,457.79
(No. of units 2,518,499,442; (Previous year 3,411,078,773))		
	2,640.94	3,457.79
Aggregate Book Value of:		
Quoted Investments	15.21	-
Unquoted Investments	2,625.73	3,457.79
	2,640.94	3,457.79
Aggregate Market Value of Quoted Investments	15.21	-

			₹ in Crores
		As at March 31, 2012	As at March 31, 2011
NOTE 15 INVENTORIES: (Valued at lower of Cost and net realisable value, unless otherwise stated)			
Raw Materials {includes in transit ₹ 28.43 Crs, (Previous year ₹ 25.86 Crs)}		243.68	189.52
Work-in-progress		407.45	422.66
Finished Goods (includes in transit ₹ 31.03 Crs, (Previous year ₹ 17.97 Crs))		222.47	227.59
Stores & Spares {includes in transit ₹ 4.56 Crs, (Previous year ₹ 4.02 Crs)}		700.07	661.81
Fuel {includes in transit ₹ 75.06 Crs, (Previous year ₹ 89.43 Crs)}		425.97	417.05
Packing Materials (includes in transit Nil, (Previous year ₹ 0.18 Crs))		29.87	32.54
Scrap (valued at net realisable value)		6.43	5.35
		2,035.94	1,956.52
NOTE 16 TRADE RECEIVABLES			
Exceeding Six months	0.24		0.00
Secured, Considered good Unsecured, Considered good	0.24 16.85		0.39 19.02
Doubtful	1.46		19.02
Doubtiui	18.55		20.77
Less: Provision for doubtful debts	1.46		1.36
Less. Flovision for doubtful debts	1.40	17.00	
Others:		17.09	19.41
Secured, Considered good	116.56		157.77
Unsecured, Considered good	632.31		425.11
Offisecurea, Considered good	032.31	748.87	582.88
		765.96	602.29
NOTE 17 CASH AND BANK BALANCES		700.00	002.20
Cash and Cash Equivalents			0.40
Cash on hand	1.12		0.48
Cheques on hand	39.77		24.30
Balance with banks	134.66	475.55	118.57
Other Deals Palances		175.55	143.35
Other Bank Balances Earmarked Balance with Bank for Unpaid Dividends		0.93	1.12
Fixed Deposits with Banks*		0.55	1.12
Maturity more than 3 months but less than 12 months	11.65		0.26
Maturity more than 12 months	0.06		0.06
Watanty more than 12 months	0.00	11.71	0.32
		188.19	144.79
* ₹ 1.71 Crores Lodged as Security with Government depart	tmonte (Prov		
NOTE 18 OTHER CURRENT ASSETS:	unonio. (F16)	vious ieai (U.S.	<u> </u>
Others (including Insurance Claim receivable, Accrued Interest, etc.)		7.38	11.07
		7.38	11.07

			₹ in Crores
	Year End		Year Ended
	March 20	31,)12	March 31, 2011
NOTE 19			
Sale of Products and Services (Gross)			
Sale of Products	20,411		14,837.60
Sale of Services	22	.01	17.25
	20,433	.09	14,854.85
NOTE 20 OTHER OPERATING REVENUES			
	40	42	40.00
Scrap Sales		.42	43.86
Lease Rent		.55	0.57
Insurance Claim		.23	4.79
Provision no longer required		.89	
Unclaimed Credit Balances written back		.62	7.70
Miscellaneous Income / Receipts (Refer Note 49)		.04	49.50
	146	.75	106.42
NOTE 21			
OTHER INCOME Interest Income on			
Government and Other Securities	0.55		0.48
Bank and Other Accounts	8.47		16.06
Dank and Other Accounts		00	
Dividend Income on	9	.02	16.54
Current Investments - Mutual Fund	31.47		100.95
Long-Term Investment - From a Subsidiary Company	7.29		4.85
Long-term investment - From a Substitutity Company		70	
Fresh and the Color (1994)	38	.76	105.80
Exchange Gain (net)		44	10.30
Profit on Sale of Fixed Assets (net)		.44	40.00
Profit on sale of Current Investments (net)	249		18.36
Others (Refer Note 49)		.82	4.45
NOTE 22	371	.8/	155.45
COST OF RAW MATERIALS CONSUMED			
Opening Stock	189	.52	91.87
Add: Stock transferred from SCL as on 01.07.10,		-	86.51
pursuant to Scheme of Amalgamation			00.01
Purchase and Incidental Expenses	2,431	.86	1,814.84
	2,621	.38	1,993.22
Less: Closing Stock	243	.68	189.52
	2,377	.70	1,803.70
Note 22.1 - Details of Raw Materials Consumed			
Limestone	536	.25	484.92
Fly Ash	332	.69	239.23
Gypsum	240	.86	210.11
Aggregates	288	.95	197.99
Sand	212	.35	151.85
Others	766	.60	519.60
	2,377	.70/	1,803.70
NOTE 23	<u> </u>		
Purchase of Stock-in-Trade		~ =	=
Grey Cement		.87	78.83
Others	103		43.22
	177	.34	122.05

		₹ in Crores
	Year ended March 31 2012	, March 31,
NOTE 24	LVIL	2011
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock		
Work-in-progress	407.45	422.66
Finished Goods	222.47	227.59
	629.92	650.25
Opening stock		
Work-in-progress	422.66	
Finished Goods	227.59	
Add: Stock transferred from SCL as on 01.07.10, pursuant to scheme of Amalgamation		- 334.73
pursuant to scheme of Amagamation	650.25	584.13
Add: Decrease / (Increase) in Stocks	20.33	
Add: Decrease / (Increase) in Excise Duty on Stocks	0.93	
	21.26	
NOTE 25		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	710.82	
Contribution to Provident and Other Funds	61.54	
Expenses on Employees Stock Options Scheme	0.83	
Staff Welfare Expenses	57.85 831.04	
NOTE 26	031.0-	000.10
Freight & Forwarding Expenses		
On Finished Products	3,328.31	2,553.50
On Clinker Transfer	406.68	
NOTE OF	3,734.99	2,880.29
NOTE 27		
OTHER EXPENSES Consumption of Stores, Spare Parts and Components	509.11	411.11
Consumption of Packing Materials	536.32	
Repairs to Plant and Machinery	185.09	
Repairs to Buildings	36.00	
Insurance	27.43	
Rent (including Lease Rent)	68.73	
Rates and Taxes	105.03	
Directors' Fees	0.13	
Directors' commission	25.00	
Cash Discount Advertisement and Sales Promotion	191.61 492 <mark>.8</mark> 8	
Miscellaneous Expenses	581.19	
IVIISCEIIUITEOUS EXPENSES	2,758.52	
NOTE 28	2,700.01	2,122.17
INTEREST AND FINANCE EXPENSES		
Interest Expense:		
On Borrowings (Refer Note 49)	212.88	235.55
Others	48.85	36.76
Other Perrousing Cost	261.73	
Other Borrowing Cost Less: Interest and Finance expenses capitalised	18.72 56.59	
2000. Interest and Finance expenses capitalised	223.86	
NOTE 29	223.00	
DEPRECIATION AND AMORTISATION		
Depreciation	886.69	
Obsolescence	15.87	
	902.56	765.73

Note 30 (a) - Contingent Liabilities not provided for in respect of:

		₹ in Crores
Claims not acknowledged as debts in respect of matters in appeals	As at March 31, 2012	As at March 31, 2011
(a) Sales-tax Liability	132.83	134.80
(b) Excise Duty and Service Tax Matters	282 .84	159.52
(c) Royalty on Limestone/ Marl	200.42	181.06
(d) Customs	2.82	2.82
(e) Others	193.64	177.90

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

Note 30 (b)

The Company has issued corporate guarantees in favour of Bankers / Lenders / Government Authorities for its Subsidiaries and Joint Ventures; details of which are given below:

- (i) Madanpur (North) Coal Company Pvt. Limited (JV) ₹ 3.65 Crores (Previous year ₹ 3.65 Crores).
- (ii) Bhaskarpara Coal Company Limited ₹ 4.00 Crores (Previous year ₹ 4.00 Crores).
- (iii) UltraTech Cement Middle East Investment Limited and its subsidiaries US\$ 440.14 Mn (₹ 2,239.21 Crores), {Previous year US\$ 371 Mn (₹ 1,654.47 Crores)}.

Note 31- Capital and other Commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 2,833.27 Crores (Previous Year ₹ 1,902.25 Crores).

Note 32

The Ministry of Textiles, vide its orders dated June 30, 1997 and July 1, 1999 has deleted cement from the list of commodities to be packed in Jute bags under the Jute Packaging (Compulsory Use in Packing Commodities) Act 1987. In view of this, the Company does not accept any liability for non-dispatch of cement in Jute bags in respect of earlier years.

Note 33

In view of the Amalgamation of SCL with the Company w.e.f July 1, 2010 figures for the current year are not comparable with those of the previous year.

Note 34 - Derivative Instruments outstanding:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

						₹	in Crores
			Purpose	Currency	As at	As at	Cross
Pa	Particulars			_	March 31,	March 31,	Currency
					2012	2011	
a.	Fo	rward Contracts	Exports	USD	0.20	0.40	Rupees
			Imports	USD	2.15	7.12	Rupees
			Buyers Credit	USD	1.17	2.50	Rupees
			Imports	Euro	0.80	4.57	USD
			Imports	Euro	0.34	-	Rupees
b.	Ot	her Derivatives:					
	i.	Currency Option and Interest Swap	ECB	USD	-	4.00	Rupees
		'	Buyers Credit	USD	-	0.26	Rupees
	ii.	Currency and Interest	Buyers Credit	JPY	-	69.49	Rupees
		Rate Swap (CIRS)	ECB	USD	25.78	1.00	Rupees
			ECB	JPY	2,254.49	3,468.85	Rupees
	iii.	Interest Rate Swap (IRS)	Mibor Linked NCDs	Rupees	-	200.00	Rupees

ECB- External Commercial Borrowings

(B) Derivatives for hedging South African Coal price risk (from floating price to fixed price), outstanding as on March 31, 2012 are as under:

					₹ in Crores
Particulars	Purpose	Quantity	Currency	As at	Year
		Hedged		March 31, 2012	ended March 31, 2011
South African Coal Fixed Price Swaps	Hedging floating price risk	45000 Mt	USD	0.46	-

(C) Un-hedged Foreign Currency Exposure:

					r in Crores
Particulars	Currency		As at	As at	Cross
		Marc	h 31,	March 31,	Currency
			2012	2011	
Borrowings	USD			2.00	Rupees
Interest Payable	USD		-	0.03	Rupees

Note 35 - Employee Benefits: (A) Defined Benefit Plans as per Actuarial Valuation on March 31:

₹ in Crores

	₹ in Crores								
		As at March 31, 2012				March 31,			
		Gratuity (Funded)	Pension	Post- Retire ment Medical Benefits	Gratuity (Funded)	Pension	Post - Retire ment Medical Benefits		
(i)	Change in defined benefit obligation								
	Opening Balance of Present value of Defined Benefit Obligation	177.88	21.47	0.57	52.10	0.74	0.56		
	Liability transferred on account of Amalgamation of SCL	-	-		98.05	7.83	-		
	Adjustment of:								
	Current Service Cost	16.39	-		11.51	-	-		
	Interest Cost	15.44	0.71	0.04	11.03	0.55	0.04		
	Actuarial Losses / (Gain)	(2.10)	(0.10)	(0.02)	9.53	0.20	-		
	Benefits Paid	(0.55)	(3.00)	(0.03)	(7.17)	(3.00)	(0.03)		
	Past Service Cost	-	-	-	2.83	-	-		
	Obligation during Current year	-	0.16	-	-	15.15	-		
	Closing Balance of Present value of Defined Benefit Obligation	207.06	19.24	0.56	177.88	21.47	0.57		
(ii)	Change in Fair Value of Assets								
	Opening Balance of Fair Value of Plan Assets	161.16	-	-	44.84	-	-		
	Assets transferred on account of Amalgamation of SCL		-	-	95.69	-	-		
	Adjustment of:								
	Return on Plan Assets	12.72	-	-	9.05	-	-		
	Acturial Gain/(Losses)	2.69	-	-	0.90	-	-		
	Contribution by the employer	31.03	3.00	0.03	17.85	3.00	0.03		
	Benefits Paid	(0.55)	(3.00)	(0.03)	(7.17)	(3.00)	(0.03)		
	Closing Balance of Fair Value of Plan Assets	207.05	-	-	161.16	-	-		

	₹ in Crore						
		As	at March 3	31, 2012	As at	March 31,	
		Gratuity (Funded)			Gratuity (Funded)	Pension	Post - Retire ment Medical Benefits
(iii)	Net Asset / (Liability) recognised in the Balance Sheet						
	Present value of Defined Benefit Obligation	(207.06)	(19.24)	(0.56)	(177.88)	(21.47)	(0.57)
	Fair Value of Plan Assets	207.05	-	-	161.16	-	-
	Past service cost not yet recognised	-	-	-	(0.23)	-	-
	Net Asset / (Liability) in the Balance Sheet	(0.01)	(19.24)	(0.56)	(16.95)	(21.47)	(0.57)
(iv)	Expenses recognised in the Statement of Profit and Loss						
	Current Service Cost	16.39		-	11.51	-	-
	Interest Cost	15.44	0.71	0.04	11.03	0.55	0.04
	Expected Return on Plan Assets	(12.72)	-	-	(9.95)	-	-
	Actuarial (Gain)/Losses	(4.79)	(0.10)	(0.02)	9.54	0.20	-
	Obligation during the year	-	0.16	-	-	14.93	-
	Total Expense	14.32	0.77	0.02	22.13	15.68	0.04
	Add/(Less): Transferred to/from Pre-operative Expenses	(0.68)		-	0.06	-	-
	Total expenses charged to Statement of Profit and Loss account	13.64	-	-	22.18	15.68	0.04
(v)	The major categories of plan assets as a percentage of total plan						
	Government of India Securities	6%		N.A.	8%	N.A.	N.A.
	Public Sector Bonds	5%	N.A.	N.A.	8%	N.A.	N.A.
	Insurer Managed Funds	88%	N.A.	N.A.	83%	N.A.	N.A.
	Others	1%	N.A.	N.A.	2%	N.A.	N.A.
	Total	100%	N.A.	N.A.	100%	N.A.	N.A.
(vi)	Actuarial Assumptions: Discount Rate	8.45%	8%- 8.45%- 8.51%	8.45%	8.25%-	8%- 8.25%- 8.28%	8.25%
	Expected Return on Plan Assets	8%	-	-	8%	-	-
	Turnover Rate	1%-2%	-	-	1%-2%	-	-
	Mortality	Published Rates of LIC 94-96		annuity	Published Rates of LIC 94-96	PA(90) annuity rates down by 4 years	PA(90) annuity rates down by 4 years
	Salary Escalation Rate	8%	-	-	8%	-	-
	Retirement age	Staff 60 years, Workers 58 years		-	Staff 60 years, Workers 58 years	-	-
	Leaving Service:						
	Age: 21-44	2%	-	-	2%	_	_
	Age: 45 & above	1%		-	1%	-	-
((ii)	Pagis used to determine Expects			Dlan Ass			

Basis used to determine Expected Rate of Return on Plan Assets:

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(viii) Salary Escalation Rate:
The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(ix) Experience Adjustments:

₹ in Crores

Par	rticulars	2007-08	2008-09	2009-10	2010-11	2011-12
(a)	Gratuity (Funded):					
	Defined Benefit Obligation	28.12	41.98	52.10	177.88	207.06
	Fair Value of Plan Assets	22.66	40.36	44.84	161.16	207.05
	Surplus/(Deficit)	(5.46)	(1.62)	(7.26)	(16.72)	(0.01)
	Expected Adjustments on Plan Liabilities	5.93	8.78	(0.34)	7.12	2.37
	Expected Adjustments on Plan Assets	0.03	0.78	0.62	0.90	2.70
(b)	Pension Liabilities:					
	Defined Benefit Obligation	0.82	0.82	0.74	0.75	0.73
	Fair Value of Plan Assets	-	-	-	-	-
	Surplus/(Deficit)	(0.82)	(0.82)	(0.74)	(0.75)	(0.73)
	Expected Adjustments on Plan Liabilities	0.01	₹ (28,212)	₹ (9,037)	₹ 27,673	₹ 17,534
(c)	Post-Retirement Medical Scheme Liabil	ities:				
	Defined Benefit Obligation	0.58	0.61	0.56	0.57	0.56
	Fair Value of Plan Assets	-	-	-	-	-
	Surplus/(Deficit)	(0.58)	(0.61)	(0.56)	(0.57)	(0.56)
	Expected Adjustments on Plan Liabilities	0.01	0.01	₹ 41,143	(0.01)	(0.01)

(B) Defined Contribution Plans

Amount recognised as an expense and included in Note 25 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 45.74 Crores, (Previous Year ₹ 37.21 Crores).

(C) Amount recognised as an expense in respect of Compensated Leave Absences is ₹ 21.82 Crores. (Previous Year ₹ 22.43 Crores)

Note 36 - Segment Reporting:

Business Segment

The Company is exclusively engaged in the business of cement and cement related products. This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

Geographical Segment is identified as the secondary segment and details are given below:

	Year Ended March 31, 2012	Year Ended March 31, 2011
Segment Revenues (Sales):		
India	<mark>17,</mark> 779.90	12,816.79
Rest of the World	386.48	389.37
Total	18,166.38	13,206.16

Note 37 -	Disclosure	of r	elated	parties	/ related	party	transactions:
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Note 37 - Disclosure of related parties / related party trans	actions:
Parties	Relationship
(A) Parties where control exists:	
Grasim Industries Limited	Holding Company
Dakshin Cements Limited	Wholly Owned Subsidiary
Harish Cement Limited	Wholly Owned Subsidiary
UltraTech Cement Middle East Investments Limited (UCMEIL)	Wholly Owned Subsidiary
UltraTech Cement SA (PTY) (w.e.f. April 9, 2011)	Wholly Owned Subsidiary
UltraTech Cement Lanka Pvt. Limited	Subsidiary
PT UltraTech Mining Indonesia (w.e.f. April 12, 2011)	Subsidiary
PT UltraTech Investments Indonesia (w.e.f. March 26, 2012)	Subsidiary
Star Cement Co. LLC, UAE	Subsidiary's Subsidiary – UCMEIL
Star Cement Co. LLC, RAK Ras-Al-Khaimah UAE	Subsidiary's Subsidiary – UCMEIL
Al Nakhla Crusher LLC, Fujairah	Subsidiary's Subsidiary – UCMEIL
Arabian Cement Industry LLC, Abu Dhabi	Subsidiary's Subsidiary – UCMEIL
Arabian Gulf Cement Co W.L.L, Bahrain	Subsidiary's Subsidiary – UCMEIL
Emirates Power Company Limited, Bangladesh	Subsidiary's Subsidiary – UCMEIL
Emirates Cement Bangladesh Limited, Bangladesh	Subsidiary's Subsidiary – UCMEIL
UltraTech Cement Mozambique Limitada	Subsidiary's Subsidiary – UCMEIL
(w.e.f. February 22, 2012)	
(B) Other Related Parties with whom there were transaction	ns during the year:
Parties	Relationship
Madanpur (North) Coal Company Pvt. Limited	Joint Venture
Bhaskarpara Coal Company Limited	Joint Venture
	1

(a) Disclosure of related party transactions:

Mr. O.P.Puranmalka, Whole-time Director

Samruddhi Swastik Trading and Investments Limited

Aditya Birla Power Venture Limited (w.e.f. July 29, 2011)

Samruddhi Cement Limited

Mrs. Sita Puranmalka

Grasim Bhiwani Textiles Limited

(a) Disclosure of related party transactions:		₹ in Crores
Nature of Transactions	Year Ended March 31, 2012	Year Ended March 31, 2011
Sale of Goods:		
Grasim Industries Limited	15.99	3.30
Samruddhi Cement Limited	-	15.68
UltraTech Cement Lanka Pvt. Limited	164.19	139.85
Grasim Bhiwani Textiles Limited	0.13	0.06
Harish Cement Limited	-	₹ 7,128
Total	180.31	158.89
Purchase of Goods:		
Grasim Industries Limited	0.31	0.29
Samruddhi Cement Limited	-	57.23
Grasim Bhiwani Textiles Limited	0.55	-
Total	0.86	57.52
Sale of Fixed Assets:		
Grasim Industries Limited	0.06	-
UltraTech Cement Middle East Investments Limited	0.13	-
Star Cement Co. LLC	0.01	-
Total	0.20	-

Fellow Subsidiary

Fellow Subsidiary
Fellow Subsidiary

Fellow Subsidiary

Relative of KMP (Wife)

Key Management Personnel (KMP)

		₹ in Crores
Nature of Transactions	Year Ended March 31, 2012	Year Ended March 31, 2011
Purchase of Fixed Assets:	2012	2011
Grasim Industries Limited	0.01	
Samruddhi Cement Limited	-	0.96
Harish Cement Limited	₹ 5,066	-
Total	0.01	0.96
Receiving of Services:		
Grasim Industries Limited	0.61	0.48
Samruddhi Cement Limited	-	2.28
Grasim Bhiwani Textiles Limited	4.32	0.05
Samruddhi Swastik Trading & Investment Limited	0.41	0.36
Key Management Personnel	5.10	3.79
Relative of Key Management Personnel	0.06	0.05
Total	10.50	7.01
Rendering of Services:		
UltraTech Cement Lanka Pvt. Limited	15.36	13.85
Dividend and other Income received / receivable		
UltraTech Cement Lanka Pvt. Limited	7.29	4.85
Dividend Paid		
Grasim Industries Limited	99.20	40.92
Loans and Advances Given:		
Harish Cement Limited	25.95	33.48
Dakshin Cements Limited	0.03	-
Madanpur (North) Coal Company Pvt. Limited	-	0.03
UltraTech Cement Lanka Pvt. Limited	-	4.36
Total	25.98	37.87
Advances Against Equity:		
PT UltraTech Mining Indonesia	0.03	-
Madanpur (North) Coal Company Pvt. Limited	0.02	-
Bhaskarpara Coal Company Limited	1.38	_
Total	1.43	-
Investments		
UltraTech Cement Middle East Investments Limited	10.34	186.41
Bhaskarpara Coal Co. Limited	0.05	3.67
PT UltraTech Mining Indonesia	3.41	_
Madanpur (North) Coal Company Pvt. Limited	0.07	_
Total	13.87	190.08
Issued shares to Grasim Industries Limited, pursuant to Scheme of Amalgamation	-	97.14
Corporate Guarantees Given		
UltraTech Cement Middle East Investments Limited & its Subsidiaries	584.74	1,654.47

		₹ in Crores
Outstanding balances	As at March 31, 2012	As at March 31, 2011
Loans and Advances:	2012	2011
Grasim Industries Limited	0.06	_
Dakshin Cements Limited	0.37	0.34
UltraTech Cement Lanka Pvt. Limited	-	4.36
Harish Cement Limited	147.52	121.57
Samruddhi Swastik Trading & Investment Limited	0.31	0.30
Madanpur (North) Coal Company Pvt. Limited	0.02	0.03
PT UltraTech Mining Indonesia	0.03	-
Bhaskarpara Coal Co. Limited	1.38	_
Total	149.69	126.60
Debtors:		
Grasim Industries Limited	0.37	0.18
UltraTech Cement Lanka Pvt. Limited	9.03	8.14
Samruddhi Swastik Trading & Investment Limited	-	₹ 45,000
Emirates Cement Bangladesh Limited, Bangladesh	-	0.40
Total	9.40	8.72
Other Liabilities and Creditors:		
Grasim Industries Limited	-	0.02
Grasim Bhiwani Textiles Limited	0.21	0.04
Total	0.21	0.06
Deposit:		
Relative of Key Management Personnel	0.98	0.98
Total	0.98	0.98
Corporate Guarantees:		
Madanpur (North) Coal Company Pvt.Limited	3.65	3.65
Bhaskarpara Coal Co. Limited	4.00	4.00*
UltraTech Cement Middle East Investments Limited & its Subsidiaries	2,239.21	1,654.47
Total	2,246.86	1,662.12
*Transferred pursuant to the Scheme of Amalgamation of SCL wi	th the Company.	

Note 38 - Earning per Share (EPS):

Particulars	As at March 31, 2012	As at March 31, 2011
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	2,446.19	1,719.23*
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,052,042	274,025,026
Basic EPS (₹) (i)/(ii)	89.26	62.74
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding	274,052,042	274,025,026
(ii) Add: Potential Equity Shares on exercise of option	109,074	88,932
(iii) Weighted average number of Equity Shares Outstanding		
for calculation of Diluted EPS (i+ii)	274,161,116	274,113,958
Diluted EPS (₹) {(A) (i) } / (iii)	89.22	62.72
Face value of Shares (₹)	10	10

^{*(2010-11} figure includes Q1FY11 Net Profit of SCL ₹ 315.00 Crores)

Note 39

Details of the Company's interest in its Joint Venture, having Joint Control, as per the requirement of Accounting Standard (AS) -27 on "Financial Reporting of Interests in Joint Ventures" notified under the Companies (Accounting Standard) Rules, 2006, are as under:

₹ in Crores

Sr. No. Particulars		Madanpur (Company P		Bhaskarpa Co. Lir	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011*
	% Shares Held	11.17%	11.17%	47.37%	47.37%
(a)	Assets	1.15	1.10	8.55	8.00
(b)	Liabilities	0.01	0.01	0.01	0.01
(c)	Income	-	-	-	_
(d)	Expenses	-	-	0.15	0.06
(e)	Other Matters – Contingent Liability	3.65	3.65	4.00	4.00

^{*} Transferred pursuant to the Scheme of Amalgamation of SCL with the Company.

Note 40 - Auditors' remuneration (excluding service tax) and expenses

	Year Ended March 31, 2012	Year Ended March 31, 2011
(a) Statutory Auditors: Audit fees	0.90	0.80
Tax audit fees	0.10	0.08
Fees for other services	1.27	0.82
Expenses reimbursed	0.03	0.04
(b) Branch Auditors:		
Audit fees	0.05	0.05
Fees for other services	0.03	0.02
Expenses reimbursed (Nil (Previous Year ₹ 925))	-	-
(c) Cost Auditors: Audit fees	0.08	0.07
Expenses reimbursed (Nil (Previous Year ₹ 41,880))	-	_

Note 41

The following expenses are included in the different heads of expenses in the Statement of Profit and Loss:

Particulars	As at March 31, 2012		As at March 31, 2011			
	Raw Materials Consumed	and Fuel	Total	Raw Materials Consumed	Power and Fuel	Total
		Consumed			Consumed	
Stores and Spares Consumed	60.07	56.00	116.07	41.97	47.38	89.35
Royalty and Cess	290.93	-	290.93	215.71	-	215.71

Note 42

Under the Employee Stock Option Scheme - 2006 (ESOS -2006), the Company has granted 228,473 options to its eligible employees in three Tranches.

During F.Y. 2010-11, in terms of the Scheme of Amalgamation, the Company issued stock options, in Tranche IV & V, to all the eligible employees of SCL in the ratio of 4 (four) Options of the Company for every 7 (seven) Options of erstwhile SCL held by them.

Details for all the tranches are as under

(a) Employees Stock Option Scheme:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
Nos. of Options 99,010	99,010	69,060	60,403	88,907	8,199
Method of Accounting	Intrinsic Value	Intrinsic Value	Intrinsic Value		
Vesting Plan	Graded Vesting -	Graded Vesting -	Graded Vesting -	As per the Terms	As per the Terms
	25% every year	25% every year	25% every year	of Scheme	of Scheme
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting		
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010
Grant Price (₹ per share)	606	794	655	709	1061
Market Price on the date of Grant of Option (₹ per share)	853	794	994	-	-
Discount on Average Price	30.00%	1.98%	30.00%	-	-

^{*}Issued to Employees of erstwhile SCL option holders pursuant to Scheme of Amalgamation of SCL with the Company.

(b) Movement of Options Granted:

	As at March 31, 2012	As at March 31, 2011
Outstanding at the beginning of the year	268,468	132,885
New options granted including options granted to the	-	157,509
option holders of erstwhile SCL		
Exercised during the year	23,636	21,117
Forfeited during the year	1,630	809
Outstanding at the end of the year	243,202	268,468

The weighted average price at the date of exercise for options was ₹ 1096.61 per share.

(c) Movement of Exercisable Options:

	As at March 31, 2012	As at March 31, 2011
Exercisable at the beginning of the year	171,090	82,835
Vested during the year including new options and options	50,445	109,372
granted to the option holders of erstwhile SCL		
Exercised during the year	23,636	21,117
Options exercisable at the end of the year	197,899	171,090

(d) Fair Valuation:

The fair value of options used to compute proforma net income and earnings per equity share have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant are:

1. Risk Free Rate - 8%

2. Option Life - Vesting period (1 Year) + Average of exercise period

3. Expected Volatility - Tranche-I: 0.49, Tranche-II: 0.52, Tranche-III: 0.30,

Tranche-IV: 0.30, Tranche-V: 0.30

4. Expected Growth in Dividend - 20%

The weighted average fair value of the option, as on the date of grant, works out to ₹ 469 per stock option.

Had the compensation cost for the stock options granted under ESOS 2006 been determined, based on fair-value approach, the Company's net profit and earnings per share would have been as per the proforma amounts indicated below:

		₹ in Crores
Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Net Profit	2,446.19	1,719.23*
Add: Compensation Expenses under ESOS included in the Net Profit	0.83	0.86
Less: Compensation Expenses under ESOS as per Fair Value	(1.24)	(1.64)
Net Profit (Fair value basis)	2,445.78	1,718.45
Basic Earning Per Share (Reported) – ₹ / Share	89.26	62.74
Basic Earning Per Share (Fair value basis) – ₹ / Share	89.24	62.71
Diluted Earning Per Share (Reported) - ₹ / Share	89.22	62.72
Diluted Earning Per Share (Fair value basis) - ₹ / Share	89.21	62.69

^{*}Figures includes Q1FY11 Net Profit of SCL ₹ 315.00 Crores

Note 43 - Value of Imports (on CIF basis):

		₹ in Crores
	Year Ended March 31, 2012	Year Ended March 31, 2011
(i) Raw materials	226.21	130.01
(ii) Components and spare parts	93.60	102.15
(iii) Capital goods	254.90	43.38

Note 44 - Value of Imported and Indigenous Raw Materials, Stores and Spares consumed:

	Year Ended Mare	Year Ended March 31, 2012		ch 31, 2011
	₹ in Crores	₹ in Crores %		%
Raw materials:				
Imported	195.47	8.2	129.28	7.2
Indigenous	2,182.23	91.8	1,674.42	92.8
Total	2,377.70	100.0	1,803.70	100.0
Stores and spares:				
Imported	108.08	17.3	88.01	17.6
Indigenous	517.10	82.7	412.45	82.4
Total	625.18	100.0	500.46	100.0

Note 45 - Expenditure in Foreign Currency:

		₹ in Crores
	Year Ended March 31, 2012	Year Ended March 31, 2011
Freight / Dispatch / Demurrage	75.50	79.36
Service Fees	8.01	9.19
Interest	22.60	5.74
Other Matters	10.91	3.12

Note 46 - Earnings in Foreign Exchange:

		₹ in Crores
	Year Ended March 31, 2012	Year Ended March 31, 2011
Export of goods {Including ₹ 364.60 Crores (Previous Year ₹ 242.75 Crores) on FOB basis}	386.48	389.37
Dividend	7.29	4.85
Other receipts	22.58	19.83

Note 47 - Dividends remitted in Foreign Currency to Non-Resident Shareholders:

(i) Remittance in foreign currency

			₹ in Crores
Sr. No.	Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
1	Dividend for the year ended	31.03.2011	31.03.2010
2	Number of Non Resident Equity Shareholders	173	188*
3	Number of Shares held by them	1,516,047	2,652,369*
4	Amount remitted as dividend (₹)	9,096,282	4,653,976*

^{*}This includes an amount of ₹ 4,637,236, declared as dividend by erstwhile SCL in respect of 177 non-resident equity shareholders holding 2,649,849 equity shares of SCL; since SCL amalgamated with the Company effective from July 01, 2010.

- (ii) Except for the above equity shareholders, the Company has not made any remittance in foreign currency on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident equity shareholders.
- (iii) The particulars of non-resident equity shareholders and the amount of dividends paid to them are as under:

Sr. No.	Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
1	Equity dividend for the year ended	31.03.2011	31.03.2010
2	Number of Non Resident Equity Shareholders including those under (i) above	7,570	10,784*
3	Number of Shares held by them	47,681,222	47,115,186*
4	Amount paid as dividend (₹ Crores)	28.60	14.43*

^{*}This includes an amount of ₹ 5.70 Crores declared as dividend by erstwhile SCL in respect of 7306 non-resident equity shareholders holding 32,565,072 equity shares of SCL; since SCL amalgamated with the Company effective from July 01, 2010.

Note 48

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss Account is ₹ 6.54 Crores. (Previous Year ₹ 3.19 Crores).

Note 49

During the year ended March 31, 2012, the Company has received subsidy of ₹ 145.69 crores, in terms of State Investment Promotion Scheme, of which ₹ 64.60 crores and ₹ 4.25 crores have been reduced from Interest and Wages respectively and ₹ 76.85 crores, related to earlier years, has been included in Operating / Other Income.

Note 50

The Revised Schedule VI became effective from April 1, 2011 for the preparation of Financial Statements. Hence, current year Financial Statements are prepared in accordance with Revised Schedule VI. Since previous year presentation was made as per Old Schedule VI, the previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Note 51

Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest lakh.

Signatures to Note '1' to '51'

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

K. C. BIRLA Sr. Executive President & CFO R. C. BHARGAVA Director

S. K. CHATTERJEE

O. P. PURANMALKA Whole-time Director

Company Secretary

Consolidated Financial Statements

TO THE BOARD OF DIRECTORS ULTRATECH CEMENT LIMITED

- 1. We have audited the attached Consolidated Balance Sheet of ULTRATECH CEMENT LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute ("the Group") as at March 31, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
- 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3. The financial statements of two subsidiaries as considered in consolidated financial statements, which reflect total assets (net) of ₹ 150.93 crore as at March 31, 2012, total revenues of ₹ Nil and net cash outflows amounting to ₹ 0.15 crore for the year ended on that date, have been audited by M/s G. P. Kapadia & Co., Chartered Accountants one of the joint auditors of the Company.
- 4. We did not audit the financial statements of ten subsidiaries and two jointly controlled entities, whose financial statements reflect total assets (net) of ₹ 2,191.72 crores as at March 31, 2012, total revenues of ₹ 1,093.01 crores and net cash outflows amounting to ₹ 20.64 crores for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors.
- 5. The financial statements of three subsidiaries, which reflect total assets (net) of ₹ Nil as at March 31, 2012, total revenue of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date as considered in the consolidated financial statements are unaudited and certified by the Management and our opinion is so far as it relates to the amounts included in respect of these subsidiaries is based solely on such management certification.
- 6. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
- 7. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its subsidiaries and jointly controlled entities and read with our comments in paragraphs 3, 4 and 5, to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
- (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants (Registration No.117366W)

B. P. Shroff Partner (Membership No. 34382) Mumbai, April 23, 2012 For **G. P. KAPADIA & Co.** Chartered Accountants (Registration No.104768W)

Atul B. Desai Partner (Membership No. 30850)

₹ in Crores

Particulars	Notes	As at March 31, 2012		As a March 31, 2011
EQUITY AND LIABILITIES			•	,
Shareholders' Funds				
Share Capital	2	274.07		274.04
Reserves and Surplus	3	12,550.35	<u> </u>	10,372.56
·			12,824.42	10,646.60
Minority Interest			62.26	65.64
Non-Current liabilities				
Long-term Borrowings	4	4,843.31		3,295.36
Deferred Tax Liabilities (Net)	5	1,741.09		1,733.54
Other Long-term Liabilities	6	3.53		2.20
Long-term Provisions	7	120.96		112.7
			6,708.89	5,143.8
Current Liabilities			77.00.00	37.10.0
Short-term Borrowings	8	702.71		727.02
Trade Payables	9	2,204.34		1,829.58
Other Current Liabilities	10	1,689.99		2,743.88
Short-term Provisions	7	709.14		473.2
			5,306.18	5,773.75
Total			24,901.75	21,629.80
ASSETS			_ 1,0011110	2.7020.0
Non-Current Assets				
Fixed Assets	11			
Tangible Assets		12,729.24		12,264.50
Intangible Assets		40.31		38.73
Capital Work-in-Progress		1,939.66		760.1
Intangible Assets under Develop	oment	0.64		0.14
		-	14,709.85	13,063.59
Goodwill			544.37	471.32
Non-Current Investments	12	906.51	7	45.0
Deferred Tax Assets (net)	13	7.50		3.54
Long-Term Loans and Advances	14	1,488.11		583.2
		.,	2,402.12	14,166.7
Current Assets			L, IOL. IL	11,100.70
Current Investments	15	2,640.94		3,468.8
Inventories	16	2,197.96		2,093.5
Trade Receivables	17	1,088.75		824.84
Cash and Bank Balances	18	212.90		190.29
Short-term Loans and Advances	14	1,097.01		873.2
Assets held for Disposal		0.15		1.22
Other Current Assets	19	7.70		11.13
2 2 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2			7,245.41	7,463.0
Total			24,901.75	21,629.80
Accounting Policies	1		24,001.70	21,020.00

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

For DELOITTE HASKINS & SELLS For G. P. KAPADIA & CO. Chartered Accountants

Chartered Accountants

K. C. BIRLA Sr. Executive President & CFO

R. C. BHARGAVA Director

B. P. SHROFF Partner

ATUL B. DESAI Partner

Accompanying Notes are an integral part of the Financial Statements.

S. K. CHATTERJEE Company Secretary O. P. PURANMALKA Whole-time Director

				₹ in Crores
	Notes	Year ended 31.03.2012		Year ended 31.03.2011
Revenue				
Sale of Products and Services (Gross)	20	21,352.27		15,336.09
Other Operating Revenues	21	150.14		110.70
· · ·		21,502.41		15,446.79
Less: Excise Duty		2,266.71		1,648.69
Revenue from Operations (Net)		19,235	.70	13,798.10
Other Income	22	370	.83	154.11
Total Revenue (I)		19,606	.53	13,952.21
Expenses				
Cost of Raw Materials Consumed	23	2,710	.48	2,038.39
Purchase of Stock-in-Trade	24	177	7.34	122.05
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	28	3.40	(87.61)
Employee Benefit Expenses	26	889	.35	697.67
Power and Fuel		4,639	.36	3,279.78
Freight and Forwarding Expenses	27	3,736	.63	2,881.07
Other Expenses	28		.35	2,181.38
		15,080	.91	11,112.73
Less: Captive Consumption of Cement {Net of Excise Duty ₹ 34.95 Crores, (Previous Year ₹ 9.35 Crores)}		(39.	11)	(10.51)
Total Expenses (II)		15,041	.80	11,102.22
Profit before Interest, Depreciation and Tax (PBIDT) (I)-(II)		4,564	.73	2,849.99
Interest and Finance Expenses	29	256		292.28
Depreciation and Amortisation	30	962		812.98
Profit before Tax		3,345	.40	1,744.73
Income Tax Expenses:		05.4	00	F47F0
Current Tax	lior vooro	954		517.58 (125.52)
Excess tax provision reversal related to ear Deferred Tax (Credit) / Charge	lier years	(10.	.77	(8.40)
Profit After Tax		2,397		1,361.07
Minority Interest			00)	(6.28)
Profit for the Year		2,403		1,367.35
Earnings Per Equity Share (Face Value ₹ 10 each)	43			
Basic (in ₹)		87	.69	61.39
Diluted (in ₹)		87	.66	61.37
Accounting Policies	1			

Accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

For DELOITTE HASKINS & SELLS For G. P. KAPADIA & CO. Chartered Accountants

K. C. BIRLA Sr. Executive President & CFO

R. C. BHARGAVA Director

B. P. SHROFF Partner

ATUL B. DESAI Partner

S. K. CHATTERJEE Company Secretary

O. P. PURANMALKA Whole-time Director

			₹ in Crores
	Particulars	As at March 31, 2012	As at March 31, 2011
(A)	Cash Flow from Operating Activities:		111011011011
	Profit Before tax	3,345.40	1,744.73
	Adjustments for:		
	Depreciation and Obsolescence	962.91	812.98
	Compensation Expenses under Employees Stock Options Scheme	0.83	0.86
	Provision for Doubtful Debts and Advances / (Written back)	0.17	(3.29)
	Bad Debts Written-off	0.24	0.09
	Excess Provision written back (Net)	(41.51)	(7.70)
	Provision for Wealth Tax	1.94	1.72
	Provision for Retirement Benefits	(4.82)	32.65
	Provision for Mines Restoration	2.17	1.85
	Interest and Dividend Income	(42,48)	(119.01)
	Interest and Finance Charges	256.42	292.28
	Unrealised Foreign Exchange (Gain)/Loss	(0.55)	(1.20)
	Unrealised loss on Investments	0.12	(1.20)
	(Profit)/Loss on Sale of Fixed Assets	(0.65)	0.04
	(Profit)/Loss on Sale of current Investment	(249.83)	(18.36)
	Operating Profit before Working Capital Changes	4,230,36	2,737.64
	Movements in working capital:	4,230.36	2,737.04
	Increase/(decrease) in Trade payable and other Liabilities	548.63	26.68
		(264.15)	(130.58)
	Decrease/(Increase) in Trade receivables Decrease/(Increase) in Inventories	(204.15)	(101.87)
	Decrease/(Increase) in loans and advances	(273.23)	(12.39)
	Cash Generated from Operations	4,137.16	2519.48
	Taxes paid	(742.97)	(526.36)
	Expenditure for Mines Restoration	(2.18)	4 000 40
(D)	Net Cash Generated from Operating Activities (A)	3,392.01	1,993.12
(B)	Cash Flow from Investing Activities:	(0.000.04)	(4.074.00)
	Purchase of Fixed Assets	(3,298.61)	(1,271.92)
	Sale of Fixed Assets	(104.81)	5.69
	Expenditure for Cost on Assets transferred from SCL,	(21.83)	(25.00)
	pursuant to Scheme of Amalgamation (Purchase) / Proceeds of Non Current Investments	(861.46)	
	Investment in Subsidiaries	(801.46)	- /717.40\
	(Purchase) / Proceeds of Current Investments	827.75	(717.40) (362.69)
		027.75	
	Purchase of Long Term Investments Profit on Sale of Current Investments	249.83	(0.05) 18.36
	Interest/Dividend Received	42.52	113.11
	Net Cash used in Investing Activities (B)	3,166.61	(2,239.90)
(C)	Cash Flow from Financing Activities:	3,100.01	(2,239.90)
(6)	Proceeds from Issue of Share Capital	1.57	1.41
	Repayment of Long Term Borrowings	(980.80)	(298.33)
	Proceeds from Long Term Borrowings		824.56
		1,352.99	
	Proceeds / (Repayment) of Short Term Borrowings	(24.31)	177.49
	Interest paid	(317.51)	(310.01)
	Dividend Paid	(166.02)	(121.68)
	Corporate Dividend Tax	(26.67)	(20.02)
	Net Cash Generated / (Used) from Financing Activities (C)	(160.75)	253.42
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	64.65	6.64
	Cash and Cash Equivalents at the Beginning of the Year	190.29	111.69
4	Cash and cash equivalents transferred from:		00.04
1.	SCL, pursuant to Scheme of Amalgamation	-	66.64
2.	ETA Star, pursuant to acquisition by UCMEIL	(40.04)	6.29
	Effect of exchange rate on consolidation of Foreign Subsidiary	(42.04)	(0.97)
	Cash and Cash Equivalents at the End of the Year	212.90	190.29

Notes:

Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 notified under the Companies (Accounting Standard) Rules, 2006.

Purchase of fixed assets includes movements of capital work-in-progress (including Capital Advances) during the year.

3. Cash and cash equivalents represent cash and bank balances.

Accounting Policies Note Accompanying Notes are an integral part of the Financial Statements

In terms of our report attached.

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

For DELOITTE HASKINS & SELLS For G. P. KAPADIA & CO. Chartered Accountants

Chartered Accountants

K. C. BIRLA Sr. Executive President & CFO R. C. BHARGAVA Director

B. P. SHROFF Partner

ATUL B. DESAI Partner

S. K. CHATTERJEE Company Secretary

O. P. PURANMALKA Whole-time Director

NOTES

Note 1 - Significant Accounting Policies:

(i) **Basis of Accounting:**

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. These financial statements comply in all material aspects with the Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable, other pronouncements of the Institute of Chartered Accountants of India (ICAI), with the relevant provisions of the Companies Act, 1956 and applicable guidelines issued by the Securities and Exchange Board of India (SEBI).

(ii) Use of estimates:

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reported period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(iii) **Fixed Assets:**

Fixed assets (whether Tangible or Intangible) are stated at cost less accumulated depreciation/ amortisation/impairment loss (if any), net of Modvat / Cenvat (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalisation criteria are met and other incidental expenses incurred in relation to their acquisition/bringing the assets for their intended use.

Fixed Assets held for disposal are stated at lower of net book value and net realisable value.

Expenditure during construction period: (iv)

Expenditure / Income, during construction period is included under Capital-Work-in-Progress and the same is allocated to the respective fixed assets on the completion of their construction.

Borrowing Costs: (v)

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred

The difference between the face value and the issue price of 'Discounted Value Non-Convertible Debentures', being in the nature of interest, is charged to the statement of Profit and Loss, on a compound interest basis determined with reference to the yield inherent in the discount.

(vi) Depreciation and Amortisation:

Depreciation is provided on straight-line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except for some assets which are at higher rates consequent of management estimate of useful life of the same, as stated under:

No.	Fixed Asset	Useful life of the assets
1	Company Vehicles (other than those provided to the employees)	5 Years
2	Roads, Culverts, Walls, Buildings etc., within factory premises	30 Years
3	Computer and Office Equipments	4 Years
4	Furniture and Fixtures	7 years
5	Mobile Phones	3 years
6	Motor Cars given to the employees as per the Company's Scheme	Scheme Period
7	Leasehold Land and Mining Lease	Period of the Lease
8	Assets not owned by the Company	As per period specified in the agreement, else 5 years
9	Expenditure incurred on Jetty	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
10	Assets acquired up to September 30, 1987	Rates prevailing at the time of acquisition
11	Softwares	3 years

Depreciation is provided on a pro-rata basis from the month of installation or acquisition and in case of projects, from the month when ready for commercial production. Depreciation on deductions / disposals is provided on a pro-rata basis upto the month preceding the month of deductions / disposals.

(vii) Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or has decreased.

(viii) Foreign Currency Transactions:

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.
- b) In respect of forward exchange contracts, premium or discount, being the difference between the forward exchange rate and the exchange rate at the inception of contract is recognised as expense or income over the life of the contract.

- c) Exchange difference including premium or discount on forward exchange contracts, relating to borrowed funds, liabilities and commitments in the foreign currency for acquisition of fixed assets, arising till the assets are ready for their intended use, are adjusted to cost of fixed assets. Any other exchange difference either on settlement or translation is recognised in the Statement of Profit and Loss.
- d) Investment in equity capital of companies registered outside India are carried in the Balance Sheet at the rates at which transactions have been executed.

(ix) Derivatives:

Financial Derivative Instruments

Derivative instruments are used to hedge risk associated with foreign currency fluctuations and interest rates. The derivative contracts are closely linked with the underlying transactions and are intended to be held till maturity. These are accounted on the date of their settlement and realised gain/loss in respect of settled contracts is recognised in the Statement of Profit and Loss.

Commodity Hedging

The realised gain or loss in respect of commodity hedging contracts, the pricing period of which has expired or contracts cancelled during the year, are recognised in the Statement of Profit and Loss. However, in respect of contracts, the pricing period of which extends beyond the Balance Sheet date, suitable provision for likely loss, if any, is made in the accounts.

(x) Investments:

Investments, that are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments/non-current investments.

Long-term investments are carried at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment. Current investments are carried at lower of cost and fair value determined for each category of investments.

(xi) Inventories:

Inventories are valued at the lower of cost and net realisable value except waste / scrap which is valued at net realisable value. The cost is calculated on weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(xii) Employee Benefits:

a) Short term employee benefits

Short term employee benefits are recognised as an expense on accrual basis.

b) Defined Contribution Plan

Contributions payable to recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognised as expense in the Statement of Profit and Loss, as they are incurred.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

c) Defined Benefit Plan

The obligation in respect of defined benefit plans, which cover Gratuity, Pension and Post retirement medical benefits, are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Gratuity is funded with an

approved fund. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

Obligation is measured at the present value of estimated future cash flows using a discount rate that is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

d) Other Long Term Benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

(xiii) Employee Share based payments:

The Company follows intrinsic value method for valuation of Employee Stock Options. In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the excess of market price of shares at the time of grant of options, over the exercise price to be paid by the option holder is considered as employee compensation expense and is amortised in the Statement of Profit and Loss over the period of vesting, adjusting for the actual and expected vesting.

(xiv) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax reflects the impact of timing difference between accounting income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation which are recognised based on virtual certainty, that the assets will be realised in future.

(xv) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- a) Sales are recognised on transfer of significant risks and rewards of ownership of the goods to the buyer. Sales are net of Sales Tax, VAT, trade discounts, rebates and returns but include excise duty.
- b) Income from services is recognised as they are rendered, based on agreement/arrangement with the concerned parties.
- c) Dividend income is accounted for when the right to receive the income is established. Interest income is recognised on accrual basis.
- d) Export incentives, insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

(xvi) Mines Restoration Expenditure:

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

(xvii) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent Liabilities are not recognised but are disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.

(xviii) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(xix) Government Grants and Subsidies:

- a) Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and that the grants will be received.
- b) Capital Government Grants or Subsidies relating to specific fixed assets are deducted from the gross value of the respective fixed assets and capital grants for projects are credited to Capital Reserve.
- c) Revenue Government Grants or Subsidies relating to an expense item are recognised as income over the period to match them on a systematic basis to the costs or deducted from related expenses.

Segment Reporting Policies: (xx)

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geography in which major operating divisions of the Company operate.

(xxi) Research and development expenditure:

Revenue expenditure on research and development is expensed as incurred. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Company.

(xxii) Operating lease:

Leases where significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss.

(xxiii) Current / Non current:

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

(xxiv) Goodwill:

Goodwill arising out of consolidation of financial statements of Subsidiaries and Joint Ventures is not amortised. However the same is tested for impairment at each Balance Sheet date.

274.07

274.04

NOTES (Contd.)

NOTE 2 SHARE CAPITAL

 SHARE CAPITAL
 ₹ in Crores

 As at March 31, 2012
 As at March 31, 2012
 As at March 31, 2011

 Authorised
 280,000,000 Equity shares of ₹ 10 each (Previous year 280,000,000)
 280.00
 280.00

 Issued, Subscribed and Fully Paid-up
 280.00
 280.00

NOTE 3 RESERVES AND SURPLUS

274,065,301 Equity shares of ₹ 10 each fully paid-up. (Previous Year 274,041,665)

As at March 31, 2012

	Capital Reserve	Cash Subsidy Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Exchange Variation Reserve \$	Surplus as per Statement of Profit and Loss	Total
Opening Balance	25.32	0.10	195.89	7,373.31	2.01	4.78	(2.65)	2,773.80	10,372.56
Additions during the year	-	_	28.50	2,200.00	2.11*	0.27	26.97	2,403.26	4,661.11
Deductions during the year		-	(100.00)	-	-	-	-	(2,128.50)	(2,228.50)
Proposed dividend (including Corporate Dividend Tax)	-	-	-	-	-	-	•	(254.82)	(254.82)
Closing Balance	25.32	0.10	124.39	9573.31	4.12	5.05 #	24.32	2,793.74	12,550.35

As at March 31, 2011

	Capital Reserve	Cash Subsidy Reserve	Debenture Redemption Reserve	General Reserve	Securities Premium Account	Share Options Outstanding Account #	Exchange Variation Reserve \$	Surplus as per Statement of Profit and Loss	Total
Opening Balance	25.02	0.10	90.72	1,621.14	0.10	1.99	(0.49)	2,756.46	4,495.04
Transferred from SCL as on 01.07.10, pursuant to scheme of Amalgamation	0.30	-	46.25	4,643.40	-	2.48	-	-	4,692.43
Additions during the year	-	-	58.92	1,108.77	1.91*	0.31	(2.16)	1,367.35	2,535.10
Deductions during the year	-	-	-		-	-	-	(1,158.92)	(1,158.92)
Proposed dividend (including Corporate Dividend Tax)	-	-	-		-	-	-	(191.09)	(191.09)
Closing Balance	25.32	0.10	195.89	7,373.31	2.01	4.78 #	(2.65)	2,773.80	10,372.56

^{*} On account of Employees Stock Options exercised during the year

[#] Net of Deferred Employees Compensation Expenses ₹ 0.70 Crore. (Previous Year ₹ 1.57 Crores)

^{\$} Exchange Variation Reserve has been created for Exchange variation in Opening Equity Share Capital and Reserves and Surplus of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd and PT UltraTech Mining Indonesia.

NOTE 4 LONG-TERM BORROWINGS

₹ in Crores

	Lon	Long-Term		Maturity of Borrowings*
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Secured:				
Non-Convertible Debentures	523.63	637.44	115.00	400.00
Term Loans from Banks:				
In Foreign Currency	922.57	236.82	31.27	858.64
In Local Currency	450.00	450.00		-
	1,372.57	686.82	31.27	858.64
Sales Tax Deferment Loan	17.90	8.20		-
	1,914.10	1,332.46	146.27	1,258.64
Unsecured:				
Term Loans from Banks:				
In Foreign Currency	2,503.21	1,507.14	133.66	243.40
Sales Tax Deferment Loan	426.00	455.76	62.83	16.49
	2,929.21	1,962.90	196.49	259.89
	4,843.31	3,295.36	342.76	1,518.53

^{*} Amount disclosed under the head "Other Current Liabilities" (Note 10)

NOTE 5 **DEFERRED TAX LIABILITIES (Net)**

Particulars	Deferred Tax (Assets) / Liabilities as at 01.04.2011	Current Year Charge	Deferred Tax (Assets) / Liabilities as at 31.03.2012
Deferred Tax Assets:			
Provision allowed under tax on payment basis	(161.71)	16.31	(145.40)
	(161.71)	16.31	(145.40)
Deferred Tax Liabilities:			
Accumulated Depreciation	1,887.86	(1.37)	1,886.49
Payment allowed under tax not expensed in books	7.39	(7.39)	/-
	1,895.25	(8.76)	1,886.49
Net Deferred Tax Liability	1,733.54	7.55	1,741.09

NOTE 6 OTHER LONG-TERM LIABILITIES

	As at	As at
	March 31, 2012	March 31, 2011
Trade Payables	3.53	2.20

NOTE 7 **PROVISIONS**

₹ in Crores

	Long	-Term	Short Term		
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011	
For Employee Benefits	115.09	104.96	21.70	36.65	
For Mines Restoration Expenditure	5.87	7.75	3.50	1.63	
For Cost of Assets transferred	-	-	172.54	194.37	
For Tax (net of Advance Tax)	-	-	256.58	49.53	
For Proposed Dividend	-	-	219.25	164.42	
For Corporate Dividend Tax	-	-	35.57	26.67	
	120.96	112.71	709.14	473.27	

Note 7.1 - Movement of provisions during the period as required by Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Asset" notified under the Companies (Accounting Standard) Rules, 2006 (as amended):

(a) Mines Restoration Expenditure:		
Opening Balance	9.38	6.70
Transferred from SCL as on 01.07.2010, pursuant to Scheme of Amalgamation	-	0.83
Add: Provision during the year	2.17	1.85
Less: Utilisation during the year	(2.18)	-
Closing Balance	9.37	9.38
(b) Provision for Cost of Transfer of Assets:		
Opening Balance	194.37	-
Transferred from SCL as on 01.07.2010, pursuant to Scheme of Amalgamation	_	131.16
Add: Provision during the year	-	88.21
Less: Utilisation during the year	(21.83)	(25.00)
Closing Balance	172.54	194.37

NOTE 8 **SHORT-TERM BORROWINGS**

		As at March 31, 2012	As at March 31, 2011
Secured:			
Loans repayable on demand:			
From Banks	13.04		-
Cash Credits / Working Capital Borrowings (Secured by Hypothecation of Stocks and			
Book Debts of the Company)	133.51		269.13
		146.55	269.13
Unsecured:			
From Banks	546.39		451.92
From Others	9.77		5.97
		556.16	457.89
		702.71	727.02

NOTE 9

TRADE PAYABLES		₹ in Crores
	As at March 31, 2012	As at March 31, 2011
Due to Micro, Small & Medium Enterprises (To the extent identified with available information)	0.11	1.15
Others	2,204.23	1,828.43
	2,204.34	1,829.58
NOTE 10 OTHER CURRENT LIABILITIES	242.70	1 510 50
Current maturities of long-term debt (Refer Note 4)	342.76	1,518.53
Interest Accrued but not due on Borrowings	72.51	79.27
Investor Education and Protection fund, will be credited with following amounts (as and when due)		
Unpaid Dividends	2.93	2.36
Due to Related Parties	-	0.01
Liability for Capital Goods	29.47	34.92
Others (including Security and other Deposits, Advances from Customers, etc.)	1,242.32	1,108.79
	1,689.99	2,743.88

NOTE 11 **FIXED ASSETS**

	<u>G</u> r	ross Block			Depreciation					Net Block
As at March 31, 2011	Other Adjustments	Additions	Deductions	As at March 31, 2012	As at March 31, 2011	Other Adjustments	For the year	Deductions/ Adjustments		As at March 31, 2012
930.81	(0.38)	255.28	-	1,186.47	-	-	-	-	-	1,186.47
87.98	0.02	12.42	0.02	100.36	22.36	0.01	6.75	0.01	29.09	71.27
1,291.58	(6.30)	169.00	5.48	1,461.40	323.14	(1.74)	39.24	4.15	359.97	1,101.43
292.33	-	16.83	-	309.16	149.91	-	13.89	-	163.80	145.36
15,931.96	(128.32)	806.39	48.16	16,818.51	5,892.96	(25.01)	839.58	31.97	6,725.58	10,092.93
55.43	-	-	-	55.43	38.65	-	2.75	-	41.40	14.03
171.16	0.01	22.98	10.41	183.72	124.75	0.01	17.78	10.06	132.46	51.26
101.05	(1.89)	20.06	2.09	120.91	71.55	(1.24)	9.85	2.03	80.61	40.30
76.63	-	-	-	76.63	76.16	-	1.64	-	77.80	(1.17)
48.69	(0.43)	11.27	6.28	54.11	23.58	(0.33)	7.38	4.54	26.75	27.36
18,987.62	(137.29)	1,314.23	72.44	20,366.70	6,723.06	(28.30)	938.86	52.76	7,637.46	12,729.24
										1,939.66
51.37	(1.59)	11.43	0.08	64.31	40.64	(1.29)	9.08	0.06	50.95	13.36
38.37	-	-	-	38.37	10.38	-	1.04	-	11.42	26.95
89.74	(1.59)	11.43	0.08	102.68	51.02	(1.29)	10.12	0.06	62.37	40.31
velopment										0.64
	930.81 930.81 87.98 1,291.58 292.33 15,931.96 55.43 171.16 101.05 76.63 48.69 18,987.62 51.37 38.37 89.74	As at March 31, 2011 930.81 (0.38) 87.98 0.02 1,291.58 (6.30) 292.33 - 15,931.96 (128.32) 55.43 - 171.16 0.01 101.05 (1.89) 76.63 - 48.69 (0.43) 18,987.62 (137.29) 51.37 (1.59) 38.37 - 89.74 (1.59)	March 31, Adjustments 2011 930.81 (0.38) 255.28 8798 0.02 12.42 1,291.58 (6.30) 169.00 292.33 - 16.83 15,931.96 (128.32) 806.39 55.43 - - 171.16 0.01 22.98 101.05 (1.89) 20.06 76.63 - - 48.69 (0.43) 11.27 18,987.62 (137.29) 1,314.23 51.37 (1.59) 11.43 38.37 - - 89.74 (1.59) 11.43	As at March 31, 2011 930.81 (0.38) 255.28 - 87.98 0.02 12.42 0.02 1,291.58 (6.30) 169.00 5.48 292.33 - 16.83 - 15,931.96 (128.32) 806.39 48.16 55.43 171.16 0.01 22.98 10.41 101.05 (1.89) 20.06 2.09 76.63 48.69 (0.43) 11.27 6.28 18,987.62 (137.29) 1,314.23 72.44 51.37 (1.59) 11.43 0.08 38.37	As at March 31, 2011 930.81 (0.38) 255.28 - 1,186.47 87.98 (0.30) 169.00 5.48 1,461.40 292.33 - 16.83 - 309.16 15,931.96 (128.32) 806.39 48.16 16,818.51 55.43 55.43 171.16 (0.01) 22.98 10.41 183.72 101.05 (1.89) 20.06 2.09 120.91 76.63 76.63 48.69 (0.43) 11.27 6.28 54.11 18,987.62 (137.29) 1,314.23 72.44 20,366.70 51.37 (1.59) 11.43 0.08 64.31 38.37 38.37 89.74 (1.59) 11.43 0.08 102.68	As at March 31, 2011 930.81 (0.38) 255.28 - 1,186.47 - 87.98 (0.30) 169.00 5.48 1,461.40 323.14 292.33 - 16.83 - 309.16 149.91 15,931.96 (128.32) 806.39 48.16 16,818.51 5,892.96 55.43 - 55.43 38.65 171.16 (0.01) 22.98 10.41 183.72 124.75 101.05 (1.89) 20.06 2.09 120.91 71.55 76.63 76.63 76.16 48.69 (0.43) 11.27 6.28 54.11 23.58 18,987.62 (137.29) 1,314.23 72.44 20,366.70 6,723.06 51.37 (1.59) 11.43 0.08 64.31 40.64 38.37 38.37 10.38 89.74 (1.59) 11.43 0.08 102.68 51.02	As at March 31, Adjustments 2011 930.81 (0.38) 255.28 - 1,186.47 87.98 (0.30) 169.00 5.48 1,461.40 323.14 (1.74) 292.33 - 16.83 - 309.16 149.91 - 15.543 38.65 - 171.16 (0.01) 22.98 10.41 183.72 124.75 (0.01) 101.05 (1.89) 20.06 2.09 120.91 71.55 (1.24) 76.63 76.63 76.16 - 48.69 (0.43) 11.27 6.28 54.11 23.58 (0.33) 18,987.62 (137.29) 1,314.23 72.44 20,366.70 6,723.06 (28.30) 89.74 (1.59) 11.43 0.08 64.31 40.64 (1.29) 38.37 383.37 10.38 - 89.74 (1.59) 11.43 0.08 102.68 51.02 (1.29)	As at March 31, 2011 930.81 (0.38) 255.28 - 1,186.47	As at March 31, 2011 Additions Deductions March 31, 2012 As at March 31, 2011 Cher March 31, 2011 For the Vyear Adjustments Deductions/ Pyear Adjustments 930.81 (0.38) 255.28 - 1,186.47 - <td< td=""><td>As at March 31, 2011 March 31, 2011 March 31, 2012 March 31, 2011 March 31, 2012 930.81 (0.38) 255.28 - 1,186.47 - - - - - - - - - </td></td<>	As at March 31, 2011 March 31, 2011 March 31, 2012 March 31, 2011 March 31, 2012 930.81 (0.38) 255.28 - 1,186.47 - - - - - - - - -

		Year ended March 31, 2012	Year ended March 31, 2011
A)	Depreciation for the year	948.98	807.61
	Add: Obsolescence	15.87	5.59
	Less: Depreciation transferred to Pre-operative Expenses	(1.94)	(0.22)
	Depreciation as per Profit and Loss Account	962.91	812.98

^{1.} Fixed Assets includes assets costing ₹ 257.36 Crores (Previous Year ₹ 238.63 Crores) not owned by the Company.

The title deeds of some of the immovable properties transferred pursuant to the Scheme of Arrangement are yet to be transferred in the name of the Company.

Particulars			Gross	Block						Depreciation			Net Block
	As at March 31, 2010	Assets transferred from SCL and ETA Star	Additions	Deductions	Other Adjustments	As at March 31, 2011	As at March 31, 2010	Assets transferred from SCL and ETA Star	For the year	Deductions/ Adjustments	Other Adjustments	Upto March 31, 2011	As at March 31, 2011
(A) Tangible Assets													
Land													
Freehold Land	172.49	592.80	166.06	0.24	0.30	930.81	-	-	-	-	-	-	930.81
Leasehold Land	19.61	60.79	7.77	0.23	(0.04)	87.98	7.88	10.16	4.33	0.01	-	22.36	65.62
Buildings	586.21	584.76	123.70	1.71	1.38	1,291.58	179.91	110.97	33.42	0.82	0.34	323.14	968.44
Railway Sidings	168.83	115.78	7.89	0.17	-	292.33	90.28	47.47	12.16	-	-	149.91	142.42
Plant and Machinery													
Own	6,916.93	8,610.37	473.56	44.10	24.80	15,931.96	2,685.53	2,538.06	709.34	35.66	4.31	5,892.96	10,039.00
Given on Lease	29.89	25.54	-	-	-	55.43	19.81	16.38	2.46	-	-	38.65	16.78
Office Equipments	71.32	87.15	22.18	9.51	(0.02)	171.16	51.65	65.18	16.88	8.99	(0.03)	124.75	46.41
Furniture and Fixtures	35.43	53.82	14.46	2.27	0.39	101.05	27.27	39.13	7.62	2.23	0.24	71.55	29.50
Jetty	76.63	-	-	-	-	76.63	69.72	-	6.44	-	-	76.16	0.47
Vehicles	16.97	23.43	12.24	3.81	0.14	48.69	9.71	10.91	5.68	2.63	0.09	23.58	25.11
Total Tangible Assets	8,094.31	10,154.44	827.86	62.04	26.95	18,987.62	3,141.76	2,838.26	798.33	50.34	4.95	6,723.06	12,264.56
(B) Capital Work-in- Progress													760.16
(C) Intangible Assets													
Software	10.80	36.31	4.48	-	0.22	51.37	5.25	27.08	8.49	-	0.19	40.63	10.74
Mining Rights	-	37.89	0.48	-	-	38.37	-	9.59	0.79	-	-	10.38	27.99
Total Intangible Assets	10.80	74.20	4.96		0.22	89.74	5.25	36.67	9.28		0.19	51.01	38.73
(D) Intangible Asset	s under De	velonment											0.14

NOTE 12 NON-CURRENT INVESTMENTS

(Valued at cost, unless stated otherwise)			
		As at March 31, 2012	As at March 31, 2011
Ouoted:		2012	2011
National Highways Authority of India - Tax Free Bond Series 1 -8.20%, 2022 {No. of bonds 98,895; (Previous year Nil)}	9.89		-
Power Finance Corporation Limited - Tax Free Bond Series 1 - 8.20%, 2022 (No. of bonds 56,958; (Previous year Nil))	5.70		-
Indian Railway Finance Corporation Limited - Tax Free Bond Series 80 A-8.10%, 2027 (No. of bonds 108,754; (Previous year Nil))	10.87		-
Housing and Urban Development Corporation Limited - Tax Free Bond Series 2-8.20%, 2027 {No. of bonds 500,000; (Previous year Nil)}	50.00		
		76.46	
Unquoted:			
Other Investments			
Equity Instruments:			
50,000 Equity Shares of ₹ 10 each fully paid in Aditya Birla Ports Ltd. (Previous Year 50,000)		0.05	0.05
Preference Shares:			
2,000,000 4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid in Aditya Birla Health Services Limited. (Previous Year 2,000,000)		20.00	20.00
Government or trust securities:			
(₹ 42,000, Previous Year ₹ 42,000)		-	_
Pledged as Security Deposit			
Debt Schemes of Various Mutual Funds {No. of units 803,999,827; (Previous year 25,000,000)}		810.00	25.00
		906.51	45.05
Aggregate Book Value of:			
Quoted Investments		76.46	_
Unquoted Investments		830.05	45.05
		906.51	45.05
Aggregate Market Value of Quoted Investments		75.02	

NOTE 13

DEFERRED TAX ASSETS (Net)			₹ in Crores
Particulars	Deferred Tax Assets / (Liabilities) as at 01.04.2011	Current Year (Charge)/ Credit	Deferred Tax Assets / (Liabilities) as at 31.03.2012
Deferred Tax Assets:			
Provision allowed under tax on payment basis	1.62	(1.54)	0.08
Unabsorbed Losses	20.54	2.26	22.80
	22.16	0.72	22.88
Deferred Tax Liabilities:			
Accumulated Depreciation	(18.62)	3.24	(15.38)
	(18.62)	3.24	(15.38)
Net Deferred Tax Asset	3.54	3.96	7.50

Deferred Tax benefits are recognised on assets to the extent that it is more likely than not future taxable profit will be available against which the asset can be utilised.

NOTE 14 LOANS AND ADVANCES

	Lon	g-Term	Short Term		
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011	
Secured, Considered good:					
Loan against House Property (Secured by way of title deeds) Loans and advances to related parties	0.05	0.04	0.01	0.04	
	0.05	0.04	0.01	0.04	
Unsecured					
Considered good:					
Capital Advances	1,289.03	441.64	_	-	
Security Deposit	53.78	30.73	140.27	256.85	
Balance with Government Authorities	135.09	105.74	281.54	160.16	
Advances recoverable in cash or in kind or for value to be received	10.16	5.10	556.11	342.39	
Advance Tax (net of Provision)	-	-	117.18	113.47	
Loans and advances to related parties	-	-	1.90	0.34	
	1,488.06	583.21	1,097.00	873.21	
Considered doubtful:					
Advances recoverable in cash or in kind - considered doubtful	_	_	0.25	1.24	
Less: Provision for Doubtful Advances		_	(0.25)	(1.24)	
2000		_	(5.20)	\ 1/	
	1,488.11	583.25	1,097.01	873.25	

			₹ in Crores
		As at March 31, 2012	As at March 31, 2011
NOTE 15			
CURRENT INVESTMENTS (At lower of cost and fair value) Ouoted:			
Investment in Government Securities			
8.79% GOI (Government of India) 2021		15.21	_
Unquoted:			
Investment in Treasury Bills		-	11.02
Units of Debt Schemes of Various Mutual Funds			
{No. of units 2,518,499,442; (Previous year 3,411,078,773)}		2,625.73	3,457.79
		2,640.94	3,468.81
Aggregate Book Value of:			
Quoted Investments		15.21	0.400.04
Unquoted Investments		2,625.73	3,468.81
Assessment Maghest Value of Overtail level to the second		2,640.94	3,468.81
Aggregate Market Value of Quoted Investments		15.21	•
NOTE 16 INVENTORIES: (Valued at lower of Cost and net realisable value, unless otherwise stated)			
Raw Material {includes in transit ₹ 28.43 Crs,		300.04	247.45
(Previous year ₹ 25.86 Crs)} Work-in-progress		408.03	423.57
Finished Goods {includes in transit ₹ 34.54 Crs,		258.99	267.90
(Previous year ₹ 22.54 Crs)}		200.00	207.00
Stock-in-trade		-	
Stores & Spares {includes in transit ₹ 4.56 Crs, (Previous year ₹ 4.02 Crs)}		750.93	696.11
Fuel {includes in transit ₹ 75.06 Crs, (Previous year ₹ 89.43 Crs)}		439.10	418.16
Packing Materials (includes in transit Nil,		34.44	34.97
(Previous year ₹ 0.18 Crs)} Scrap (valued at net realisable value)		6.43	5.35
Scrap (valued at fiet realisable value)		2,197.96	2,093.51
NOTE 17 TRADE RECEIVABLES Exceeding Six months			·
Secured, Considered good	8.56		11.57
Unsecured, Considered good	57.70		35.08
Doubtful	1.60		9.22
	67.86		55.87
Less: Provision for doubtful debts	1.60		9.22
		66.26	46.65
Others:			
Secured, Considered good	319.55		288.20
Unsecured, Considered good	702.94	4 000 40	489.99
		1,022.49	778.19
		1,088.75	824.84

			₹ in Crores
		As at March 31, 2012	As at March 31, 2011
NOTE 18		LUIL	2011
CASH AND BANK BALANCES			
Cash and Cash Equivalents			
Cash on hand	1.50		0.63
Cheques on hand	39.77		24.30
Balance with banks	147.62		146.46
		188.89	171.39
Other Bank Balances			
Earmarked Balance with Bank for Unpaid Dividends		0.93	1.12
Fixed Deposits with Banks*			
Maturity more than 3 months but less than 12 months	22.50		17.30
Maturity more than 12 months	0.58		0.48
Watanty more than 12 months	0.00	22.00	
		23.08	17.78
* ₹1.71 Crores Lodged as Security with Government depart	monto (Provi	212.90	190.29
	ments. (Frev	ious feat (0.52	crore)
NOTE 19 OTHER CURRENT ASSETS:			
Others (including Insurance Claim receivable,			
Accrued Interest, etc.)		7.70	11.13
		7.70	11.13
		As at	As at
		March 31,	March 31,
NOTE 20		2012	2011
Sale of Products & Services (Gross)			
Sale of Products		21,330.26	15,318.84
Sale of Services		22.01	17.25
<u> </u>		21,352.27	15,336.09
NOTE 21		,	-,
OTHER OPERATING REVENUES			
Scrap Sales		49.43	43.86
Lease Rent		0.55	0.57
Insurance Claim		2.23	4.79
Provision no longer required		32.89	-
Unclaimed Credit Balances written back		8.62	7.70
Miscellaneous Income / Receipts		56.42	53.78
NOTE 00		150.14	110.70
NOTE 22			
OTHER INCOME Interest Income on			
Government & Other Securities	2.53		2.00
Bank and Other Accounts	8.48		16.06
Bank and Other Accounts	0.40	11.01	18.06
Dividend Income on		11.01	10.00
Current Investments - Mutual Fund	31.47		100.95
The same of the sa	31117	31.47	100.95
Exchange Gain (net)		-	10.29
Profit on Sale of Fixed Assets (net)		0.65	0.01
Profit on sale of Current Investments (net)		249.83	18.36
Others		77.87	6.44
		370.83	154.11

		₹ in Crores
	Year Ended	Year Endec
	March 31, 2012	March 31, 2011
NOTE 23	2012	2011
COST OF RAW MATERIALS CONSUMED		
Opening Stock	247.45	91.87
Add: Exchange rate fluctuation on account of	4.27	
average rate transferred to currency translation reserve		
Add: Stock transferred from SCL as on 01.07.10,	_	137.47
pursuant to Scheme of Amalgamation and on acquisition of ETA Star Cement		
Purchase and Incidental Expenses	2,755.38	2,056.50
Turdiase and incidental Expenses	3,007.10	
Less: Exchange rate fluctuation on account of average		2,285.84
rate transferred to currency translation reserve	(3.42)	
Less: Closing Stock	300.04	247.45
2000. Glooning Octobic	2,710.48	2,038.39
NOTE 24	_,:::::	
Purchase of Stock-in-Trade		
Grey Cement	73.87	78.83
Others	103.47	43.22
	177.34	122.0
NOTE 25		
CHANGES IN INVENTORIES OF FINISHED GOODS,		
WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock		
Work-in-progress	408.03	423.5
Finished Goods	255.48	263.33
Less: Exchange rate fluctuation on account of	(1.51)	
average rate transferred to currency translation reserve		
	662.00	686.90
Opening stock		100.11
Work-in-progress	423.57	166.4
Finished Goods	263.33	82.5
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	2.57	
Add: Stock transferred from SCL as on 01.07.10,		346.08
pursuant to Scheme of Amalgamation and on	-	340.00
acquisition of ETA Star Cement		
·	689.47	595.02
Add: Decrease / (Increase) in Stocks	27.47	(91.88
Add: Decrease / (Increase) in Excise Duty on Stocks	0.93	4.2
	28.40	(87.61
NOTE 26		•
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	766.14	592.04
Contribution to Provident and Other Funds	62.16	58.47
Expenses on Employees Stock Options Scheme	0.83	0.86
Staff Welfare Expenses	60.22	46.30
	889.35	697.67
NOTE 27		
Freight & Forwarding Expenses		
On Finished Products	3,328.69	2,553.91
On Clinker Transfer	407.94	327.16
	3,736.63	2,881.07

			₹in Crores
		Year Ended	Year Ended
		March 31, 2012	March 31, 2011
NOTE 28		2012	2011
OTHER EXPENSES			
Consumption of Stores, Spare Parts and Components		541.97	421.71
Consumption of Packing Materials		559.83	422.78
Repairs to Plant and Machinery		201.18	161.36
Repairs to Buildings		36.00	32.72
Insurance		29.72	20.07
Rent (including Lease Rent)		83.59	62.76
Rates and Taxes		105.15	83.48
Directors' Fees		0.13	0.13
Directors' commission		25.00	25.00
Cash Discount		191.61	152.17
Advertisement and Sales Promotion		492.88	345.56
Miscellaneous Expenses		632.29	453.64
		2,899.35	2,181.38
NOTE 29			
INTEREST AND FINANCE EXPENSES			
Interest Expense:	0.40.70		055.04
On Borrowings	246.79		255.31
Others	48.85		36.76
		295.64	292.07
Other Borrowing Cost		18.72	5.35
Less: Interest and Finance expenses Capitalised		57.94	5.14
		256.42	292.28
NOTE 30			
DEPRECIATION AND AMORTISATION		0.47.63	00700
Depreciation		947.04	807.39
Obsolescence		15.87	5.59
		962.91	812.98

Note 31 -Principles of Consolidation:

- (a) The Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Accounting Standard on "Consolidated Financial Statements" (AS 21), and "Financial Reporting of Interest in Joint Ventures" (AS 27), notified under the Companies (Accounting Standard) Rules, 2006:
 - (i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating material intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with AS-21.
 - (ii) The difference between the costs of investment in the subsidiaries, over the net assets as at the end of the financial year immediately preceding the year of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
 - (iii) The Company's interest in Jointly Controlled Entities (JV's) is consolidated on a proportionate consolidation basis by adding together the proportionate book values of assets, liabilities, income and expenses and eliminating the unrealised profits / losses on intra-group transactions in accordance with Accounting Standard (AS-27).
 - (iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's separate financial statements.

- (v) The financial statements of the Company, its Subsidiaries and JV's used in the consolidation are drawn upto the same reporting date i.e. March 31, 2012.
- (vi) Out of thirteen Subsidiaries incorporated outside India whose financial statements have been included in the Consolidated financial Statements, financial statements of a subsidiary have been drawn up in accordance with the generally accepted accounting practices (GAAP) as applicable locally. Financial Statements of these Subsidiaries have been re-stated in Indian Rupees considering them as non-integral part of the Group's operations and the resultant exchange gain/loss on conversion has been carried forward as Translation Reserve. In the opinion of the Management, based on the analysis of the significant transactions of a subsidiary whose financial statements have been drawn up in accordance with GAAP as applicable locally, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.
- (vii) Financial Statements of foreign Subsidiaries have been re-stated in Indian Rupees considering them as non-integral part of the Group's operations and the resultant exchange gain/ loss on conversion has been carried forward as Translation Reserve. The Consolidated Financial Statements (CFS) is comprised of financial statements of UltraTech Cement Limited, its Subsidiaries and its interest in JV's (Group) as at 31.03.2012, which are as under:

Name of the Company			% Shareho	
		Country of Incorporation	As at March 31, 2012	As at March 31, 2011
(I)	Subsidiary Companies:			
	(a) Dakshin Cements Limited	India	100%	100%
	(b) UltraTech Cement Lanka Pvt. Limited	Sri Lanka	80%	80%
	(c) Harish Cement Limited	India	100%	100%
	(d) PT UltraTech Mining Indonesia (w.e.f. April 12, 2011)	Indonesia	100%	N.A.
	(e) PT UltraTech Investment Indonesia (w.e.f. March 26, 2012)	Indonesia	100%	N.A.
	(f) UltraTech Cement SA (PTY) (w.e.f. April 9, 2011)	South Africa	100%	N.A.
	(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	UAE	100%	100%
	(h) Star Cement Co. LLC, UAE* (w.e.f. August 3, 2010)	UAE	80%	80%
	(i) Star Cement Co. LLC, RAK* Ras-Al-Khaimah UAE (w.e.f. August 31, 2010)	UAE	80%	80%
	(j) Al Nakhla Crusher LLC, Fujairah* (w.e.f. September 6, 2010)	UAE	80%	80%
	(k) Arabian Cement Industry LLC*, Abu Dhabi (w.e.f. September 15, 2010)	UAE	80%	80%
	(I) Arabian Gulf Cement Co W.L.L*, Bahrain (w.e.f. September 27, 2010)	Bahrain	80%	80%
	(m) Emirates Power Company Ltd*., Bangladesh (w.e.f. August 27, 2010)	Bangladesh	80%	80%
	(n) Emirates Cement Bangladesh Ltd*., Bangladesh (w.e.f. August 27, 2010)	Bangladesh	80%	80%
	(o) UltraTech Cement Mozambique Limitada*., Mozambique (w.e.f. February 22, 2012)	Mozambique	100% @	-
(II)	Joint Ventures:			
	(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
	(b) Bhaskarpara Coal Co. Limited (BCCL)	India	47.37%	47.37%

^{*} Subsidiaries of UCMEIL.

^{@ 90%} Share holding of UCMEIL.

⁽b) The effect of intra-group transactions between the Company and its subsidiaries are eliminated on consolidation.

Note 32

Notes on Accounts of the financial statements of the Company, its Subsidiaries and its interest in Joint Venture are set out in their respective financial statements.

Note 33 - Goodwill:

Goodwill represents the difference between the Group's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Goodwill arising out of an acquisition of equity stake in a foreign subsidiary is translated at the closing rate on each Balance Sheet date as per AS 11 "The Effects of Changes in Foreign Exchange Rates" notified under the Companies (Accounting Standard) Rules, 2006.

Reserves shown in the consolidated balances sheet represents the group's share in the respective reserves of the Group companies.

Note 34 (a) - Contingent Liabilities not provided for in respect of:

			₹ in Crores
Claii	ms not acknowledged as debts in respect of matters in appeals	As at March 31, 2012	As at March 31, 2011
(a)	Sales-tax liability	132.83	134.80
(b)	Excise duty	282.84	159.52
(c)	Royalty on Limestone/ Marl	200.42	181.06
(d)	Customs	2.82	2.82
(e)	Others	193.64	210.81

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

Note 34 (b)

The Company has issued Corporate guarantees in favour of Government Authorities for its Joint Ventures:

- (i) Madanpur (North) Coal Company (Pvt.) Ltd. (JV) ₹ 3.65 Crores (Previous year ₹ 3.65 Crores)
- (ii) Bhaskarpara Coal Company Limited ₹ 4.00 Crores (Previous year ₹ 4.00 Crores)

Note 35

The Ministry of Textiles, vide its orders dated June 30, 1997 and July 1, 1999 has deleted cement from the list of commodities to be packed in Jute bags under the Jute Packaging (Compulsory Use in Packing Commodities) Act 1987. In view of this, the Company does not accept any liability for nondespatch of cement in Jute bags in respect of earlier years.

The Sri Lankan customs commenced an inquiry alleging that dividends declared by 'UltraTech Cement Lanka Pvt. Limited' ("UCLPL") and remitted to the Company represents part of settlement in respect of cement imported by UCLPL; hence additional duty is payable by UCLPL. The Sri Lankan Customs have not provided a basis for any value to be attributed as alleged. The inquiry was last held on May 30, 2011.

UCLPL contends there is no basis to include dividends paid in the value of goods imported and consequently intends to resist the aforesaid contention of the Customs at any inquiry.

UCLPL has also filed an application in the Court of Appeal seeking interalia to quash the aforesaid decision by Sri Lankan Customs to hold the said inquiry and both parties have filed their submissions in writing before the Court and the matter is now fixed for oral arguments on April 25, 2012.

Note 37 - Capital and Other Commitments:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 2,994.60 Crores (Previous Year ₹ 2,056.46 Crores).
- (b) The Company's Subsidiary, UltraTech Cement Middle East Investments Limited ("UCMEIL") and ETA Cement Trading LLC ("ETA Cement") had entered into a Shareholder's Agreement ("the Agreement") on September 30, 2010. In terms of the Agreement:
 - (i) ETA Cement has a put option to require UCMEIL to purchase from it, all shares held in the Group Companies as defined in the Agreement.
 - (ii) UCMEIL has a call option to purchase from ETA Cement all of its shares in the Group Companies during the period as provided in the Agreement.
 - (iii) The consideration for exercising the put and call options will be in accordance with the provisions of the Agreement.

Note 38

- (a) In view of the Amalgamation of SCL with the Company w.e.f July 1, 2010 figures for the current year are not comparable with those of the previous year.
- (b) The Company's wholly owned subsidiary 'UltraTech Cement Middle East Investments Limited' had completed the acquisition of ETA Star Cement and acquired the management control of its operations in the UAE, Bahrain and Bangladesh during the previous year.

Note 39 - Derivative Instruments Outstanding:

(A) Derivatives for hedging currency and interest rates, outstanding as on March 31, 2012 are as under:

₹ in Crores

						VIII CIOIES
Pa	rticulars	Purpose	Currency	As at March 31, 2012	As at March 31, 2011	Cross Currency
a.	Forward Contracts	Exports	USD	0.20	0.40	Rupees
		Imports	USD	2.15	7.12	Rupees
		Buyers Credit	USD	1.17	2.50	Rupees
		Imports	Euro	0.80	4.57	USD
		Imports	Euro	0.34	-	Rupees
b.	Other Derivatives:	·				
	i. Currency Option and Interest Swap	ECB	USD	-	4.00	Rupees
	ii. Currency and Interest Rate Swap (CIRS)	Buyers Credit	USD	-	0.26	Rupees
		Buyers Credit	JPY	-	69.49	Rupees
		ECB	USD	25.78	1.00	Rupees
		ECB	JPY	2,254.49	3,468.85	Rupees
	iii. Interest Rate Swap (IRS)	Mibor Linked NCDs	Rupees	-	200.00	Rupees

ECB- External Commercial Borrowings

(B) Derivatives for hedging South African Coal price risk (from floating price to fixed price), outstanding as on March 31, 2012 are as under:

₹ in Crores

Particulars	Purpose	Quantity Hedged	Currency	As at March 31, 2012	As at March 31, 2011
South African Coal Fixed Price Swaps	Hedging floating price risk	45000 Mt	USD	0.46	-

(C) Un-hedged Foreign Currency Exposure:

₹ in Crores

Particulars	Currency	As at March 31, 2012	As at March 31, 2011	Cross Currency
Borrowings	USD	-	2.00	Rupees
Interest Payable	USD	-	0.03	Rupees

Note 40 - Employee Benefits

(A) Defined Benefit Plans as per Actuarial Valuation as on

		As at March 31, 2012			As at March 31, 2011				
		Grat	Gratuity		Post-		Gratuity		Post-
		Funded	Others	Pension	Retirement Medical Benefits	Funded	Others	Pension	Retirement Medical Benefits
(i)	Change in defined benefit obligation								
	Opening Balance of Present value of Defined Benefit Obligation	177.88	0.37	21.47	0.57	52.10	0.28	0.74	0.56
	Liability transferred on account of Amalgamation of SCL	-	-	-	-	98.05	-	7.83	-
	Adjustment of:								
	Current Service Cost	16.39	0.07	-	-	11.51	0.07	-	-
	Interest Cost	15.44	0.06	0.71	0.04	11.03	0.06	0.55	0.04
	Actuarial Losses /(Gain)	(2.10)	0.01	(0.10)	(0.02)	9.53	0.01	0.20	-
	Benefits Paid	(0.55)	(0.05)	(3.00)	(0.03)	(7.17)	(0.05)	(3.00)	(0.03)
	Past Service Cost	-	-	-	-	2.83	-	-	-
	Obligation during Current year	-	-	0.16	-	-	-	15.15	-
	Closing Balance of Present value of Defined Benefit Obligation	207.06	0.46	19.24	0.56	177.88	0.37	21.47	0.57
(ii)	Change in Fair Value of Assets								
	Opening Balance of Fair Value of Plan Assets	161.16	-	-	-	44.84	-	-	_
	Assets transferred on account of Amalgamation of SCL	_	-	-	-	95.69	-	-	-
	Adjustment of:								
	Return on Plan Assets	12.72	-	-	-	9.05	-	-	_
	Actuarial Gain/(Losses)	2.69	-	-	-	0.90	-	-	-
	Contribution by the employer	31.03	-	3.00	0.03	17.85	-	3.00	0.03
	Benefits Paid	(0.55)	-	(3.00)	(0.03)	(7.17)	-	(3.00)	(0.03)
	Closing Balance of Fair Value of Plan Assets	207.05	-	-	-	161.16	-	-	-

₹ in Crores

			As at March 31, 2012		As at March 31, 2011				
			tuity	1011 31, 20	Post-		Gratuity		Post-
		Funded	Others	Pension	Retirement Medical	1	Others	Pension	Retirement Medical
					Benefits				Benefits
(iii)	Net Asset / (Liability) recognised in the Balance Sheet								
	Present value of Defined Benefit Obligation	(207.06)	(0.46)	(19.24)	(0.56)	(177.88)	(0.37)	(21.47)	(0.57)
	Fair Value of Plan Asset	207.05	-	-	-	161.16	-	-	-
	Past service cost not yet recognised	-		-	-	(0.23)	-	-	-
	Net Asset / (Liability) in the Balance Sheet	(0.01)	(0.46)	(19.24)	(0.56)	(16.95)	(0.37)	(21.47)	(0.57)
(iv)	Expenses recognised in the Statement of Profit and Loss								
	Current Service Cost	16.39	0.07	-	-	11.51	0.07	-	-
	Interest Cost	15.44	0.06	0.71	0.04	11.03	0.06	0.55	0.04
	Expected Return on Plan Assets	(12.72)	-	-	-	(9.95)	-	-	-
	Actuarial (Gain)/Losses	(4.79)	0.01	(0.10)	(0.02)	9.53	0.02	0.20	-
	Obligation during the year	-	-	0.16	-	-	-	14.93	-
	Total Expense	14.32	0.14	0.77	0.02	22.12	0.15	15.68	0.04
	Add/(Less): Transferred to/from Pre-operative Expenses	(0.68)	-	-	-	0.06	-	-	-
	Total expenses charged to Statement of Profit and Loss account	13.64	0.14	-	-	22.18	0.15	15.68	0.04
(v)	The major categories of plan assets as a percentage of total plan								
	Government of India Securities	6%	N.A.	N.A.	N.A.	8%	N.A.	N.A.	N.A.
	Public Sector Bonds	5%	N.A.	N.A.	N.A.	8%	N.A.	N.A.	N.A.
	Insurer Managed Funds	88%	N.A.	N.A.	N.A.	83%	N.A.	N.A.	N.A.
	Others	1 %	N.A.	N.A.	N.A.	2%	N.A.	N.A.	N.A.
	Total	100%	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.
(vi)	Actuarial Assumptions:								
	Discount Rate	8.45%	10.5%	8%- 8.45%- 8.51%	8.45%	8.25%	11%	8%- 8.25%- 8.28%	8.25%
ĺ	Expected Return on Plan Assets	8 %	-	-	-	8%	-	-	-
Ì	Turnover Rate	1%-2%	1%-10%	-	-	1%-2%	1%-10%	-	-
		Published	GA 1983	PA(90) annuity	PA(90) annuity	Published		PA(90) annuity	PA(90) annuity
	Mortality	Rates of LIC 94-96	Mortality	rates down by 4 years	rates down by 4 years		GA 1983 Mortality	rates down by 4 years	rates down by 4 years
	Salary Escalation Rate	8%	10%		-	8%	10%	-	-
	Retirement age	Staff 60 years Workers 58 years	55 years	-	-	Staff 60 years Workers 58 years	55 years	-	-
ŀ	Leaving Service:	oo years				55 yours			
ŀ	Age: 21-44	2%		-	-	2%	_	_	-
- 1		£ /0							1

(b)

(c)

(vii) Basis used to determine Expected Rate of Return on Plan Assets:

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(viii) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account the inflation, seniority, promotion and other relevant factors.

(ix) **Experience Adjustments**:

(a) Gratuity (Funded):

				₹	in Crores
Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Defined Benefit Obligation	28.12	41.98	52.10	177.88	207.06
Fair Value of Plan Assets	22.66	40.36	44.84	161.16	207.05
Surplus/(Deficit)	(5.46)	(1.62)	(7.26)	(16.72)	(0.01)
Expected Adjustments on Plan Liabilities	5.93	8.78	(0.34)	7.12	2.37
Expected Adjustments on Plan Assets	0.03	0.78	0.62	0.90	2.70
Pension Liabilities:					
Defined Benefit Obligation	0.82	0.82	0.74	0.75	0.73
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(0.82)	(0.82)	(0.74)	(0.75)	(0.73)
Expected Adjustments on Plan Liabilities	0.01	₹ (28,212)	₹ (9,037)	₹ 27,673	₹ 17,534
Post-Retirement Medical Scheme Lia	bilities:				
Defined Benefit Obligation	0.58	0.61	0.56	0.57	0.56
Fair Value of Plan Assets	-	-	-	_	-
Surplus/(Deficit)	(0.58)	(0.61)	(0.56)	(0.57)	(0.56)
Expected Adjustments on Plan Liabilities	0.01	0.01	₹ 41,143	(0.01)	(0.01)

(B) Defined Contribution Plans:

Amount recognised as an expense and included in Note 26 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 46.28 Crores, (Previous Year ₹ 37.72 Crores).

(C) Amount recognised as an expense in respect of Compensated Leave Absences is ₹ 25.08 Crores. (Previous Year ₹ 24.02 Crores)

Note 41 - Segment Reporting:

Business Segment

The Company is exclusively engaged in the business of cement and cement related products. This is in context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

Geographical Segment is identified as secondary segment and details are given below:

		₹ in Crores
	Year Ended March 31, 2012	Year Ended March 31, 2011
Segment Revenues (Sales):		
India	17,779.90	12,816.79
Rest of the World	1,305.66	870.61
Total	19,085.56	13,687.40

Note 42 - Disclosure of Related Parties / Related Party Transactions:

(a) Names of Related parties with whom transactions were carried out during the year and description of relationship:

Parties	Relationship
Grasim Industries Limited	Holding Company
Samruddhi Cement Limited (upto June 30, 2010)	Fellow Subsidiary
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Grasim Bhiwani Textiles Limited	Fellow Subsidiary
Aditya Birla Power Venture Limited (w.e.f. July 29, 2011)	Fellow Subsidiary
Mr. O. P. Puranmalka, Whole Time Director	Key Management Personnel (KMP)
Mrs. Sita Puranmalka	Relative of KMP (Wife)

(b) Disclosure of related party transactions:

		₹ in Crores
Nature of Transactions	Year Ended March 31, 2012	Year Ended March 31 201
Sale of Goods:		
Grasim Industries Limited	15.99	3.30
Samruddhi Cement Limited	-	15.68
Grasim Bhiwani Textiles Limited	0.13	0.06
Total	16.12	19.04
Purchase of Goods:		
Grasim Industries Limited	0.31	0.29
Samruddhi Cement Limited	-	57.23
Grasim Bhiwani Textiles Limited	0.55	
Total	0.86	57.5
Sale of Fixed Assets:		
Grasim Industries Limited	0.06	
Purchase of Fixed Assets:		
Grasim Industries Limited	0.01	
Samruddhi Cement Limited	-	0.9
Total	0.01	0.9
Receiving of Services:		
Grasim Industries Limited	0.61	0.48
Samruddhi Cement Limited	-	2.23
Grasim Bhiwani Textiles Limited	4.32	0.0
Samruddhi Swastik Trading & Investment Limited	0.41	0.30
Key Management Personnel	5.10	3.79
Relative of Key Management Personnel	0.06	0.0
Total	10.50	7.0
Dividend Paid		
Grasim Industries Limited	99.20	40.93
Issued shares to Grasim Industries Limited,		67.1
pursuant to Scheme of Amalgamation	-	97.14

(c) Outstanding Balances:

		₹ in Crores
Loans and Advances:	As at March 31, 2012	As at March 31, 2011
Grasim Industries Limited	0.06	-
Samruddhi Swastik Trading & Investment Limited	0.31	0.30
Total	0.37	0.30
Debtors:		
Grasim Industries Limited	0.37	0.18
Samruddhi Swastik Trading & Investment Limited	-	₹ 45,000
Total	0.37	0.18
Other Liabilities and Creditors:		
Grasim Industries Limited	-	0.02
Grasim Bhiwani Textiles Limited	0.21	0.04
Total	0.21	0.06
Deposit:		
Relative of Key Management Personnel	0.98	0.98

Note 43 - Earning per Share (EPS):

		<u>₹ in Crores</u>
Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	2,403.26	1,682.35*
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,052,042	274,025,026
Basic EPS (₹) (i)/(ii)	87.69	61.39
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding	274,052,042	274,025,026
(ii) Add: Potential Equity Shares on exercise of option	109,074	88,932
(iii) Weighted average number of Equity Shares	274,161,116	274,113,958
Outstanding for calculation of Diluted EPS (i+ii)		
Diluted EPS (₹) {(A) (i) } / (iii)	87.66	61.37
Face value of Shares (₹)	10	10
**		

^{*} Includes Q1FY11 Net Profit of SCL ₹ 315.00 Crores

Note 44

The Company's proportionate share in Assets, Liabilities, Income and Expenses of its Joint Venture companies included in these Consolidated Financial Statements are given below:

BALANCE SHEET		₹ in Crore
Particulars	As at	As a
	March 31, 2012	March 31, 2011
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	9.27	9.1
Reserve and Surplus	(0.25)	(0.11
Share Application Money Pending Allotment	0.66	0.0
TOTAL	9.68	9.0
Current Liabilities		
Trade Payables	0.01	
Other Current Liablities	0.01	0.0
	0.02	0.0
Total	9.70	9.1
ASSETS		
Non-Current Assets		
Fixed Assets		
Tangible Assets	2.82	2.6
Capital Work-in-Progress	5.90	5.5
	8.72	8.1
Long-term Loans Advances	0.01	0.4
Current Assets		
Cash and Bank Balances	0.94	0.4
Short term Loans and Advances	0.03	0.0
	0.97	0.4
TOTAL	9.70	9.1

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Expenses		
Employee Benefit Expenses	0.01	0.01
Other Expenses	0.14	0.05
Total expenditure	0.15	0.06
Loss Before Tax	(0.15)	(0.06)
Loss After Tax	(0.15)	(0.06)

45 Information relating to Subsidiaries including subsidiaries of subsidiaries: (In terms of Government of India, Ministry of Corporate Affairs general Circular No: 2/2011, No: 5/12/ 2007-CL-III dated 8th February, 2011)

Name of the Subsidiary Companies	Year	Currency	Capital Including Share	and Surplus	(Non Current Assets +Current	Liabilities (Non Current Liabilities+	Current and Non-Current Investments	Turnover	(Loss) before Taxation	for for Taxation	(Loss) after Taxation	Proposed Dividend (including Corporate
			application Money		Assets+ Deferred Tax Assets) excluding Current and Non-Current	Current Liabilities+ Deferred Tax Liabilities	(excluding Investment in the subsidiary Companies)					Divide
Dakshin Cements Limited	2011-12	H~	0.05	•	0.44	0.39		•				
	2010-11	#~	0.05	1	0.41	0.36	1	1	1	1	1	
Harish Cement Limited(w.e.f. 1st July, 2010)	2011-12	H~	0.05	•	150.49	150.44			•			
	2010-11	*	0.05	1	126.63	126.58		1	1		1	
UltraTech Cement Lanka Pvt. Ltd.	2011-12	SLR	20.00	68.14	174.01	55.87	•	708.80	41.80	12.03	29.77	20.00
		₩	19.89	27.11	69.05	22.05	•	283.99	16.72	4.79	11.93	8.01
	2010-11	SLR	20.00	58.38	151.56	70.46	27.28	623.87	48.20	20.54	27.66	10.80
		₩~	20.20	23.58	61.29	28.53	11.02	248.81	19.26	8.30	10.96	5.98
UltraTech Cement Middle East Investment Ltd. (Standalone) (w.e.f. 3rd March. 2010)	2011-12	AED	16.27	(1.30)	0.01	44.14	59.10	ľ	(0.79)	ŀ	(67.0)	
) 	225.35	(18.04)	0.16	611.46	818.62	ľ	(10.29)	Ī	(10.29)	
	2010-11	AED	15.48	(0.51)	0.02	44.13	1		(0.51)		(0.51)	
	Н	₩>	187.94	(6.23)	0.20	535.88		1	(6.33)	-	(6.33)	
Star Cement Co LLC, Dubai @ (w.e.f. 31st August, 2010)	2011-12	AED	5.09	(8.05)	32.54	35.51	•	28.24	(3.59)	•	(3.59)	
		# > [70.48	(111.57)	450.82	491.90	•	368.16	(46.77)	•	(46.77)	
	2010-11	AEU	5.09	0.24	21.91	16.58	1	19.12	(2.35)	1	(2.35)	
Arabian Cement Industry LLC, Abu Dhabi @		, !	2	0.1	500	07:107		17:107				
(w.e.r. 15th September, 2010)	71-1107	AEU	12.85	(1./1)	21.26	204 34	•	18.36	(18.91)		(16.91)	
	2010-11	ΔED	100	(0.41)	19.36	18 77		1733	(9.20)		(2.29)	
	200	,	12.14	(4.96)	235.07	77.7.2	1	214.96	(28.46)	1	(28.46)	
Star Cement Co LLC, Ras Al Khaimah @	2011-12	AED	14 36	4 55	95 56	76 64	·	41 32	2 90		2 90	
יאיפיי סיפר אמשמפי, בסיס/	71 17	,	198.95	63.08	1.323.71	1,061.68		538.75		•	37.81	
	2010-11	AED	14.36	1.65	87.29	71.28	1	32.69	3.53	1	3.53	
		*	174.38	20.07	1,059.40	865.03	-	405.54	43.76	-	43.76	
Al Nakhla Crushers LLC, Fujairah @ (w.e.f. 6th Sentember 2010)	2011-12	AED	0.20	(3 98)	5.81	9 59	ľ	1 38	(96 0)		(97 0)	
) 	2.77	(55.16)	80.44	132.83		17.99	(3.33)	Ī	(3.33)	
	2010-11	AED	0.20	(3.73)	3.87	7.39	1	0.65	(0.75)	1	(0.75)	
		₩~	2.43	(45.23)	46.92	89.73		8.10	(9.34)	1	(9.34)	
Arabian Gulf Cement Company WLL, Bahrain @ (w.e.f. 27th Sentember, 2010)	2011-12	Bahrain Dirham	0.03	0.56	0.74	0.15	ľ	1 07	(00.00)		(00.00)	
		h>	4.05	76.05	100.06	19.96		135.78	(0.20)	Ī	(0.20)	
	2010-11	Bahrain Dirham	0.03	0.56	0.69	60.0	1	0.45	(0.09)		(60.0)	
		th>	3.57	67.24	81.88	11.07	1	55.09	(10.65)	1	(10.65)	
Emirates Cement Bangladesh Ltd, Bangladesh (ω) (w.e.f. 27th August, 2010)	2011-12	Takka	158.93	(88.82)	225.53	155.45	·	188.75	(16.36)	(4.83)	(11.53)	
		*	98.86	(55.27)	140.29	69.96	•	117.66	(10.20)	(3.01)	(7.19)	
	2010-11	Takka	158.93	(77.32)	178.12	96.51	•	136.81	(2.26)		8.53	
Emirates Power Company 11d Bandadesh @		~	104.00	(20.29)	116.56	63.15		85.53	(1.41)	(0.74)	5.33	
(w.e.f. 27th August, 2010)	2011-12	Takka	27.00	(21.16)	29.66	23.82		19.39	0.10	(0.62)	0.72	
		~	16.79	(13.16)	18.45	14.82	•	12.09	0.07	(0.38)	0.45	
	2010-11	Takka	27.00	(21.88)	30.99	25.87	1 1	9.03	(3.43)	5.13	(8.56)	
PT UltraTech Mining Indonesia				170.11				5	1-1-1-1			
(w.e.f 12th April, 2011)	2011-12	Indonesian Rupee ₹	674.13	(13.09)	736.04	75.01			(13.09)		(13.09)	

Subsidiaries of UltraTech Cement Middle East Investment Ltd.
UltraTech Cement SA (PTY) (Wholly owned Subsidiary), PT UltraTech Investments Indonesia (Subsidiary) and UltraTech Cement Mozambique Limitada (Subsidiary) are yet to start operations and there is no equity infusion.
UltraTech Cement SA (PTY) (Wholly owned Subsidiary), PT UltraTech Investments and there is no equity infusion.

occ. To convening the region of the convening the recognition of the convenience of the c	Г							
	Profit & Loss Account	(Average Rate)	2010-11	2.5074	9080.0	1.5996	0.0082	
	Profit & Lc	(Averag	2011-12	2.4959	0.0767	1.6042	0.0079	184.3318
	Balance Sheet	Closing Rate)	2010-11	2.4756	0.0824	1.5282	0.0084	
	Balan	(Closi	2011-12	2.5136	0.0722	1.6076	0.0074	168.0672
		Currency		Sri Lankan Rupee (SLR)	UAE Dirham (AED)	Takka	Bahrain Dirham	Indonesian Rupee
		Sr No		_	2	m	4	വ

Note 46 - Auditors' remuneration (excluding service tax) and expenses:

₹ in Crores

		V III CIOICS
Particulars	Year Ended	Year Ended
	March 31, 2012	March 31, 2011
(a) Statutory Auditors:		
Audit fees	1.47	1.53
Tax audit fees	0.10	0.10
Fees for other services	1.27	1.04
Expenses reimbursed	0.06	0.04
(b) Branch Auditors:		
Audit fees	0.05	0.05
Fees for other services	0.02	0.02
Expenses reimbursed (Nil (Previous Year ₹ 925))	_	-
(c) Cost Auditors:		
Audit fees	0.08	0.07
Expenses reimbursed (Nil(Previous Year ₹ 41,880))	-	-

Note 47

During the year ended March 31, 2012, the Company has received subsidy of ₹ 145.69 crores, in terms of State Investment Promotion Scheme, of which ₹ 64.60 crores and ₹ 4.25 crores have been reduced from Interest and Wages respectively and ₹ 76.85 crores, related to earlier years, has been included in Operating / Other Income.

Note 48

The Revised Schedule VI became effective from April 1, 2011 for the preparation of Financial Statements. Hence, current year Financial Statements are prepared in accordance with Revised Schedule VI. Since previous year presentation was made as per Old Schedule VI, the previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

Note 49

Figures pertaining to the subsidiary companies and Joint Venture have been reclassified wherever necessary to bring them in line with the Company's financial statements.

Note 50

Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest lakh.

Signatures to Notes '1' to '50'

For and on behalf of the Board

KUMAR MANGALAM BIRLA

Chairman

K. C. BIRLA Sr. Executive President & CFO R. C. BHARGAVA Director

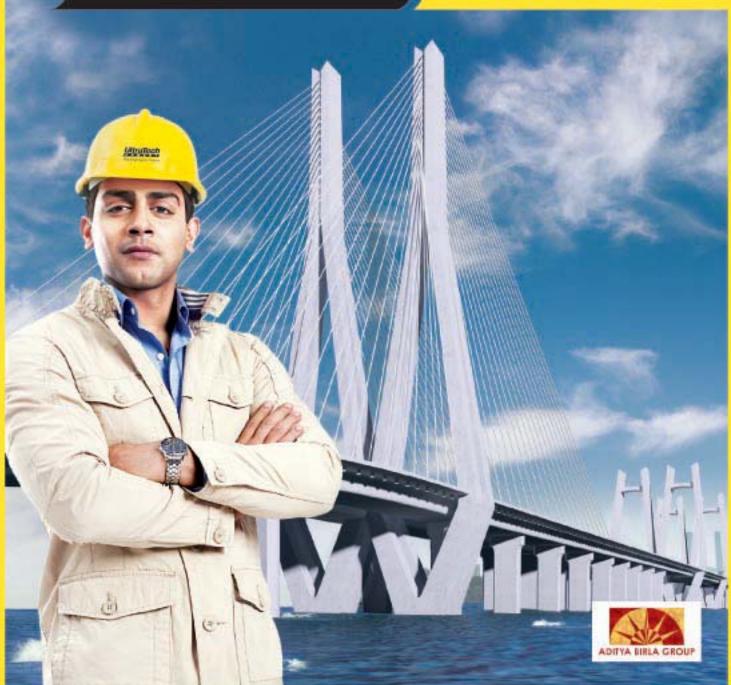
S. K. CHATTERJEE Company Secretary

O. P. PURANMALKA Whole-time Director



Strong enough to uphold an Engineer's promise.





Central Marketing Office:

UltraTech Cement Limited: 'A' Wing, Ahura Centre, 1st Floor, Mahakali Caves Road, Near M.I.D.C. Office, Andheri - East, Mumbai - 400 093. Tel: (022) 66917380. | Website: www.ultratechcement.com

