Notice

NOTICE is hereby given that the 37th Annual General Meeting of the Members of Mangalam Cement Ltd., will be held on Monday, the 29th July, 2013, at 11.30 A.M. at the Club Hall of Mangalam Cement Ltd., Basant Vihar, Adityanagar 326520. Morak, Dist. Kota (Rajasthan) to transact, with or without modification(s), the following business

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2013 and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2013.
3. To appoint a Director in place of Smt. Vidula Jalan who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Shri K. K. Mudgil who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint auditors and to fix their remuneration and in that connection to pass with or without modification(s), the following Resolution to be moved as an Ordinary Resolution.

   "RESOLVED THAT subject to provisions of Section 224A and other applicable provisions of the Companies Act, 1956, M/s. Jain Pramod Jain & Co., Chartered Accountants, New Delhi (FRN 016746N), be and are hereby appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company, be and is hereby authorised to fix their remuneration and terms of payment as per the recommendation of its Audit Committee."

Special Business

6. To consider and if thought fit to pass, with or without modification(s) the following Resolution to be moved as an Ordinary Resolution.

   "RESOLVED THAT Shri Amal Ganguli, who was appointed as an Additional Director by the Board of Directors of the Company with effect from 11th February, 2013 and who, as per provisions of Section 260 of the Companies Act 1956, holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act 1956, received a Notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation."

7. To consider and if thought fit to pass, with or without modification(s) the following Resolution to be moved as an Ordinary Resolution.

   "RESOLVED THAT in supersession of the earlier Resolution passed in this behalf, the consent of the Company be and is hereby accorded, under the provisions of Section 293(1)(d) of the Companies Act, 1956, to the Board of Directors of the Company, or any Committee thereof, to borrow from time to time all such sums of money as they may deem requisite for the purposes of the business of the Company notwithstanding that the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceed the aggregate of the paid up capital and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of the sums so borrowed shall not exceed Rs. 1000.00 crore (Rupees One Thousand crore only) at any one point of time."

8. To consider and if thought fit, to pass, with or without modification(s) the following Resolution to be moved as Special Resolution.

   "RESOLVED THAT pursuant to provisions of Section 309, 310 and other applicable provisions of the Companies Act, 1956 and Article 90 of the Articles of Association of the Company, the Company, be and is hereby authorised to pay commission to its Non-Executive Directors @ 1% of the net profit of the Company but not exceeding Rs. 5.5 lacs (Rupees Five lacs Fifty Thousand Only) to each of the Non-Executive Director (NED) in every financial year computed in the manner referred to in Section 198(1) of the said Act, for a period of two years w.e.f. 1st April, 2013 provided that within the period covered by this Resolution, the total amount together, shall not exceed the amount as prescribed in Schedule XIII of the Companies Act, 1956."

By Order of the Board,

Registered Office:
P.O.Adityanagar 326520,
Morak, Dist.Kota (Rajasthan)

Swadesh Agrawal
Company Secretary

Dated, the 2nd May, 2013

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN THE FORM ANNEXED HERETO MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.

2. The Register of members and Share Transfer Books of the Company shall remain closed from Monday, the 22nd July, 2013 to Monday, the 29th July, 2013 both the days inclusive on account of Annual General Meeting and dividend payment.

3. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose names shall appear on the Company's Register of Members on 29th July, 2013 or to their nominees. In respect of shareholding in dematerialised form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend Warrants will be dispatched or credit will be given under (NECS) as the case may be, on or after 10th August, 2013.

4. Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through National Electronic Clearing Services (NECS) subject to availability of bank account details and 9 digits code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

   Shareholders holding shares in physical form and desirous of availing (NECS) facility, should provide the bank details and 9 digits code number in (NECS) Mandate Proforma. Shareholders who have already given their Bank details to avail the (NECS) facility should furnish the same only if there is any change.

   The (NECS) Mandate Proforma can be obtained from the Company's Share Transfer Agents, M/s. MAS Services Ltd at the address mentioned herein below in Note 6.

5. a. Pursuant to Section 205 A of the Companies Act, 1956, all unclaimed/ Unpaid dividends upto the financial year ended 31st March, 1995, have been transferred to the General Revenue Account of the Central Government. Those shareholders who have so far not claimed or collected their dividend for the said period may claim their dividend directly from the Registrar of Companies, Rajasthan, Jaipur, by submitting an application in the prescribed form.

   b. (i) Pursuant to Section 205A of the Companies Act, 1956, read together with 205C of the Act, as amended, Dividend for the financial years ended 31st March, 1996 and 31st March, 1997, which remained unpaid or unclaimed for 7 years, has been transferred to the Investor Education and Protection Fund constituted by the Central Government.

   (ii) It may be noted that as per amended Companies Act, once the unclaimed dividend is transferred to the Government as above, no claim shall lie in respect of such amounts.

   c. Shareholders who have not claimed their dividend for the financial years 2006-07 to 2011-12 may produce their unclaimed dividend warrants along with necessary documents to the Company. The said dividend will remain in unpaid dividend account with the Company for a period of 7 years.

6. In terms of provisions of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agents, M/s. MAS Services Ltd, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020, for nomination form quoting their folio number. Shareholders holding shares in dematerialised form should write to their Depository Participant for the purpose.

7. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Share Transfer Agents at the address mentioned hereinabove in Note 6 to consolidate their holding in one folio.

8. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agents at the address mentioned hereinabove in Note 6 quoting their folio number. Shareholders holding shares in dematerialised form, should intimate change of their address, if any, to the Depository participant.

9. **Reappointment of Directors**

   As per Clause-49 of the Listing Agreement with the Stock Exchange(s), the Company is required to provide expertise and name of the companies in which the proposed Directors hold the directorship and membership of the Committee of the Board and accordingly the said information is given hereunder in respect of Smt. Vidula Jalan and Shri K. K. Mudgil.

i) Smt. Vidula Jalan

Smt. Vidula Jalan, is an Executive Director of the Company. She is an MBA in strategic Marketing ad Leadership and Change Management from the Indian School of Business, Hyderabad and has an Accounting and Finance degree from the University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group. She is also the director in the following companies:

1. Mangalam Timber Products Ltd.
2. Vidula Consultancy Services Ltd.

She is also Member in the following Committees of Directors:

S.No	Name of Company	Particulars of Committee	As Chairman/ Member
1	Mangalam Timber Products Ltd.	1. Share Transfer Committee	Member
2	Mangalam Cement Limited	1. Investment Committee	Member

ii) Shri K. K. Mudgil

Shri K. K. Mudgil is B.A. (Hons.) in Economics with an advanced course in Organisation, Management and Financing of Small Scale Village Industries. He rose to the position of Chief General Manger of Reserve Bank of India (RBI) and retired on 30th November, 1997 as Executive Director (on deputation from RBI) of National Housing Bank, since January, 1998. He does not hold any other Directorship. He is the chairman/member in the following committees of the Directors in the Company:

S.No.	Name of the Company	Particulars of Committees	As Chairman/Member
1	Mangalam Cement Ltd.	Share Transfer Committee	Chairman
		Shareholders/Investors Grievance Committee	Chairman
		Audit Committee	Member
		Remuneration Committee	Member

Explanatory Statement pursuing of Section 173(2) of the Companies Act, 1956

Item No.6

The Board of Directors of the Company appointed Shri Amal Ganguli as Additional Director under Article-104 of the Article of Association of the Company with effect from 11th February, 2013. Under provisions of Section-260 of the Companies Act, 1956 and Article 104, the Additional Director shall hold the office only upto the ensuing Annual General Meeting of the Company.

As required by Section-257 of the Companies Act, 1956, a notice in writing along with deposit of Rs.500/- from a member of the Company has been received proposing that Shri Amal Ganguli be appointed as Director of the Company, hence, resolution has been proposed.

Shri Amal Ganguli is a Fellow member of The Institute of Chartered Accountants of India and the Institute of Chartered Accountants in England and Wales and also a member of the New Delhi Chapter of The Institute of Internal Auditors, Florida, USA.

During a span of 40 years of service in Price Waterhouse/Price Waterhome Coopers, UK/India, Shri Ganguli was the Chairman and Senior Partner of Price Waterhouse Coopers (PWC), India, for seven years before retiring in 2003. He possesses a rich and wide range of experience in the areas of statutory audit, internal & management audits, evaluation and strengthening of control systems, Indian and International tax matters, mergers & acquisitions, valuations and corporate restructuring.

Subsequent to his retirement, Shri Ganguli has gained Board level experience through membership of various Company boards as an independent director. He also worked as a consultant to the World Bank. Shri Amal Ganguli is currently on the Board of Maruti Suzuki India Limited, HCL Technologies Limited, Century Textiles and Industries Limited, Tata Communications Limited, Tata Teleservices (Maharashtra) Limited, Triveni Turbine Limited, New Delhi Television Limited, ICRA Limited etc. He is also a Member of the Audit Committee of all the above companies and Chairman of the Audit Committee of Maruti, HCL Tech, Tata Communications Ltd, New Delhi Television Ltd .

Except Shri Amal Ganguli, no other director is interested or concerned in the proposed resolution.

Item No.7

Resolution No. 7: The Company is expanding and will continue to expand its manufacturing capacities. Consequently, there may be need to increase borrowings to fund such expansion. The Board, therefore, through an enabling Resolution, proposes to enhance the Company's

borrowing limits under Section 293(1)(d) of the Companies Act, 1956 ("The Act") from the present Rs. 400 crore to Rs. 1000 crore.

Since, the proposed borrowing limit exceeds the Company's Paid-up Share Capital and Free Reserves (excluding temporary loans obtained from the Company's bankers and financial institutions etc. in the ordinary course of business), the enabling Resolution No.7 is being proposed for Members' approval.

No Director is in any way concerned or interested in the proposed Resolutions.

Item No. 8

Section 309(4) of the Companies Act, 1956 provides that in the case of a Director who is neither Managing Director nor in the Whole-time employment of the Company, may by a special resolution, authorise payment of commission in addition to the fee for attending the meeting of the Board or committee thereof, where such Directors are rendering useful advice to the Company. To retain such Independent Directors, it is desirable that they should be paid commission @ 1% of the net profit of the Company not exceeding Rs. 5.5 lacs to each of the Director in any financial year, except the Executive Directors. The shareholders in their Annual General Meeting held on 06th August, 2012 had approved payment of commission @ 1% of the net profits of the Company but not exceeding Rs. 4.5 lacs to each of the Director for the remaining period of 1 year ended on 31st March, 2013. The proposed Resolution seeks authority for such payment to the Directors for a period of two years effective from1st April, 2013.

All the Directors of the Company except Shri A.V.Jalan and Smt. Vidula Jalan, Executive Directors, are interested in the Resolution to the extent the commission is payable to them in accordance with the proposed Resolution.

By Order of the Board,

Registered Office:
P.O.Adityanagar 326520,
Morak, Dist.Kota (Rajasthan)

Swadesh Agrawal
Company Secretary

Dated, the 2nd May, 2013

FORWARD FOCUS

EXPANDING › CONSOLIDATING › PROGRESSING

At Mangalam Cement, the strategy for steady growth is a focussed approach to the future.

It helps us achieve cost optimisation, enhanced clinker and cement production, greater market penetration, optimal natural resource management, and a conscientious approach towards communities and the environment.

We are expanding and consolidating our strengths to emerge as one of the leading cement manufacturers of North India.

Our performance in 2012-13 encourages our team to work towards an even brighter future.

Our Identity



A view of the plant at Morak

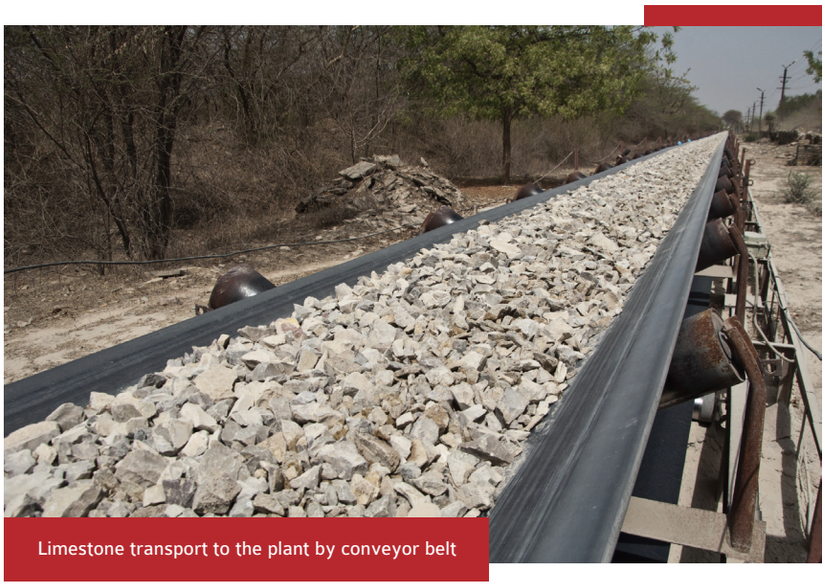
Mangalam Cement has emerged as one of the leading integrated manufacturers of high-quality cement in North India, leveraging over three decades of experience.

PRODUCTS

- Birla Uttam Cement- 43 Grade
- Birla Uttam Cement- Portland Pozzolana Cement

CERTIFICATIONS

- ISO 9001:2008 - process quality control
- ISO 14001:2004 - environmental management system
- IS 18001:2007 - occupational health and safety management system



Limestone transport to the plant by conveyor belt

RATINGS

Rated CARE AA- (Double A minus) for long-term facilities and CARE A1+ (A one Plus) for short-term facilities by Credit Analysis & Research Ltd (CARE)

LOCATIONS

- Headquartered in Kolkata (West Bengal)
- Cement plants (2 million tons) and coal-based power plants (35 MW) located in Aditya Nagar, Morak district, Kota (Rajasthan)
- Wind turbine – 13.65 MW at Jaisalmer (Rajasthan)
- Regional offices at Kota, Jaipur and New Delhi

LISTING INFORMATION

- **NSE Ticker:** MANGLMCEM
- **BSE Ticker:** 502157

Mangalam Cement is a part of the B.K. Birla Group, a most distinguished and eminent business house of India that has contributed immensely to nation building through industry as well as social and philanthropic endeavours.

Core Strengths



Overview of the plant at Morak

BRAND

Our brand 'Birla Uttam' Cement is a preferred choice among users in northern India.

TECHNOLOGY

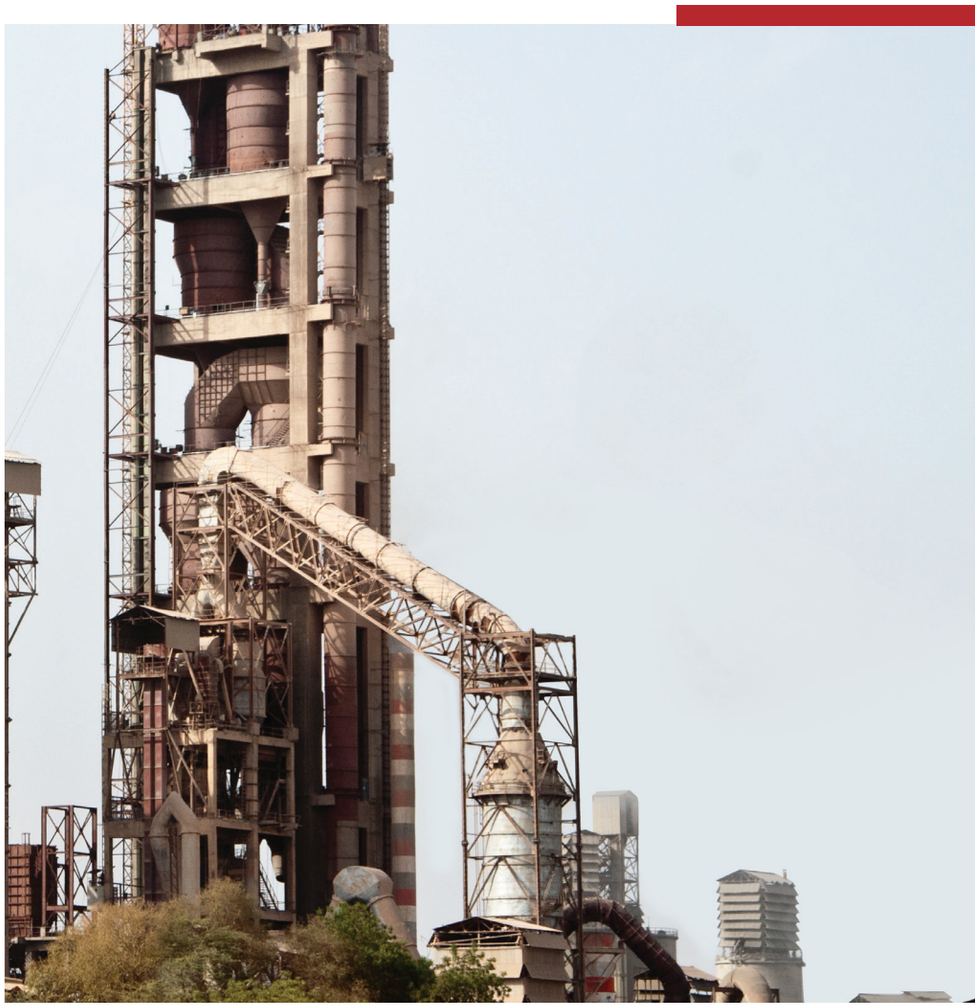
Mangalam Cement uses the latest cost-efficient technologies in its state-of-the-art plants that optimise resource utilisation, maintain strict quality standards and minimises its environmental footprint.

RAW MATERIAL SECURITY

Captive limestone mines in close proximity of the plant and long-term contracts for essential raw materials, such as coal, pet coke and gypsum insulate us from adverse situations. Besides, fly ash is sourced from our captive thermal power plants and supplemented through long-term contracts with power plants in the vicinity.

RESOURCE OPTIMISATION

Our modern plant and choice of water saving air-cooled technology for captive power plants help us optimise use of inputs, such as fuel, power, water and so on. Continual Total Productive Maintenance (TPM) activities ensure efficient operations and minimise waste.



Volatility and uncertainty have become the norm in today's globally connected economy. At Mangalam Cement, we strive to enhance our core strengths in order to continue value creation over the long term.

EXTENSIVE REACH

Our extensive network comprises 1,124 dealers and 2,796 retailers across our core operating zone including Delhi NCR, Rajasthan, Madhya Pradesh, Haryana and Uttar Pradesh. We also have a large base of institutional customers.

HUMAN RESOURCES

Our extraordinary team of over 900 dedicated employees and our culture of efficiency, integrity and ethical business practices are our most important assets.

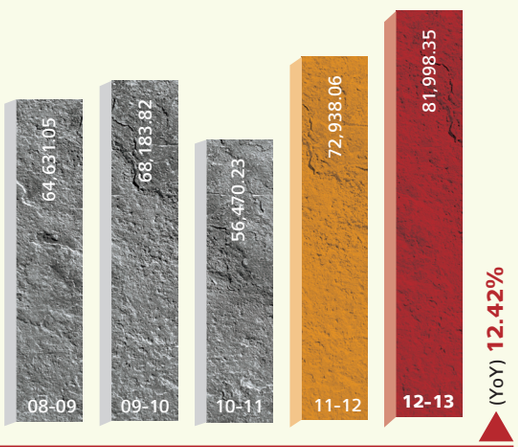
SOCIAL INITIATIVES

As a responsible corporate citizen and following the ethos of the B.K. Birla group, Mangalam Cement has taken several initiatives in education, healthcare, women empowerment, among others to improve the quality of life in surrounding areas. We have also contributed to the development of the rural infrastructure and work on several green initiatives.

Financial Highlights

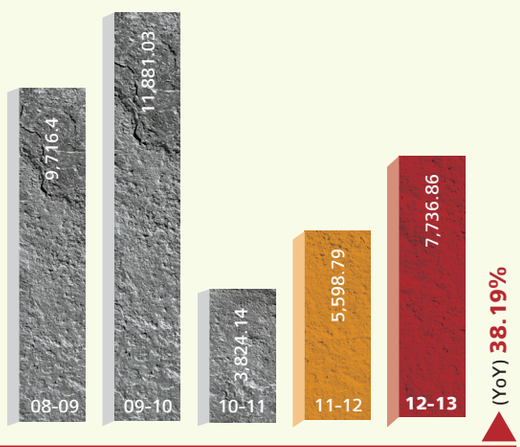
TOTAL REVENUE

(Rs. in lacs)



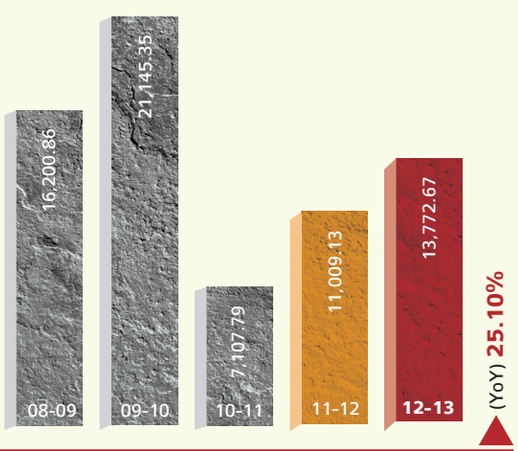
POST-TAX PROFIT

(Rs. in lacs)



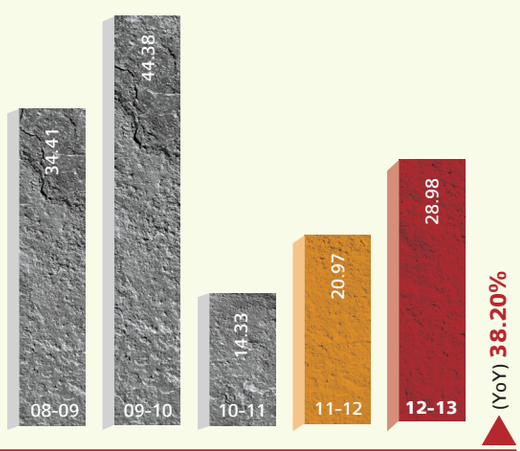
EBIDTA

(Rs. in lacs)

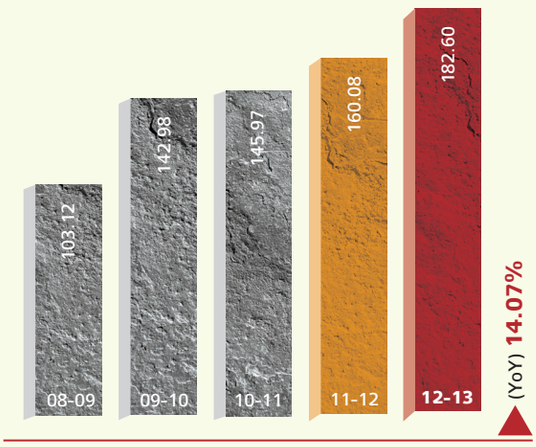


EARNINGS PER SHARE (BASIC)

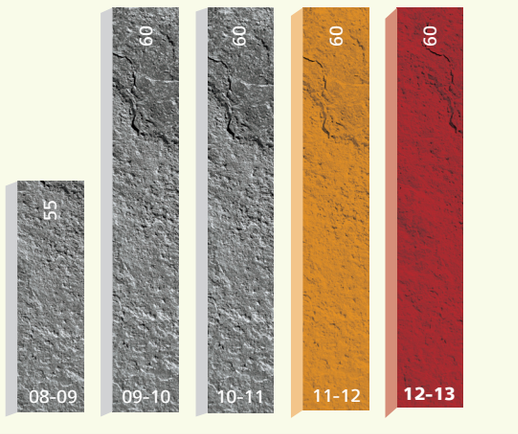
(Rs.)



BOOK VALUE PER SHARE (Rs.)



DIVIDEND PAYOUT (%)



YoY - Year-on-Year growth from 2011-12 to 2012-13

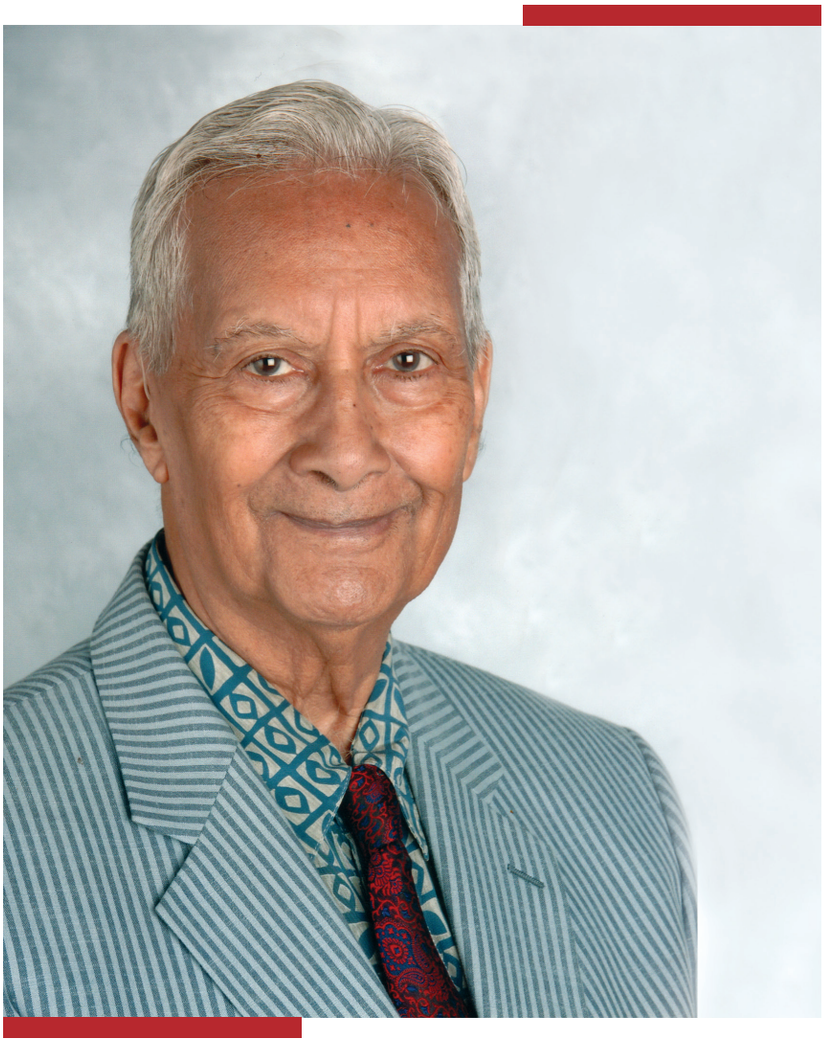
PRODUCTION (MT)

	2012-13	2011-12
Clinker	1,700,780	1,413,342
Cement	1,844,443	1,632,032

DESPATCHES (MT)

	2012-13	2011-12
Cement	1,841,447	1,636,976
Clinker	77,716	186,831

Message from Syt. B.K. Birla



Mangalam Cement is making steady progress in an environment of moderate economic growth and industrial activity. The corporate vision of the Group provides the roadmap for its consistent growth. The Company is responding with speed to opportunities and challenges emerging in the cement sector. It is also leveraging its internal strengths to emerge as a leading, prosperous and efficient corporate.

The Government is now initiating measures to accelerate investments in infrastructure and allied sector. This augurs well for all industry participants in the cement sector, including Mangalam Cement.

With best wishes
Basant Kumar Birla


THE COMPANY
IS RESPONDING
WITH SPEED TO
OPPORTUNITIES AND
CHALLENGES EMERGING
IN THE CEMENT SECTOR.
IT IS ALSO LEVERAGING
ITS INTERNAL
STRENGTHS TO
EMERGE AS A LEADING,
PROSPEROUS AND
EFFICIENT CORPORATE.

Expansion Plans



Current expansion in progress

Mangalam Cement is investing in capacity increases in Clinker as well as Cement. Our current project for upgradation and expansion will increase our manufacturing capacities of clinker by 0.5 million TPA and cement by 1.25 million TPA, strengthening our core capabilities.

WAY AHEAD

- Both clinker and cement expansions are expected to be operational by the second quarter of 2013-14
- Incremental capacities will enhance abilities to cater to a wider geography
- The project will also improve cost efficiency and enhance our delivery and despatch infrastructure

ADDING CAPACITIES

(In million TPA)

	Existing capacity	Post-expansion capacity
Clinker	1.71	2.21
Cement	2.00	3.25

Enhancing mining efficiency



Captive limestone mines

Limestone is one of the most critical elements in cement manufacturing. At Mangalam, we have substantial limestone reserves to ensure uninterrupted production. We are constantly incorporating best-in-class mining practices to optimise mine output and reduce wastage.

HIGHER GAINS

- Highest limestone mined and handled in 2012-13, since inception
- Improved drilling rate and output per person-shift

MODERNISING OPERATIONS

- Introduced automated tippers replacing manual processes for material unloading; this ensures 100% recovery of limestones, prevents quality contamination, enhances efficiency and upgrades safety quotient
- Introduced mild rock breakers, instead of conventional blasting methods, leading to efficient limestone extraction in sensitive areas
- Continuously train workers to increase their productivity and efficiency
- Shifted limestone crushers from plants to mine working zones, leading to reduced transportation cost and lead time
- Renovated and changed road designs from mines to plant, reducing cycle time

Marketing Reach





STRENGTHENING DISTRIBUTION CHANNELS

We have enlarged our dealer network to 1,124 dealers in 2012-13. The number of empaneled retailers has risen from 1,834 in the previous year to 2,796 in 2012-13.

GROWING RETAIL SALES

Our retail sales grew by 13%. The proportion of retail sales to total sales stood at 81% in 2012-13.

REACHING MORE MARKETS

Our market reach is spread across Delhi NCR, Rajasthan, Madhya Pradesh, Haryana and Uttar Pradesh.



1. Haryana
2. Delhi NCR
3. Uttar Pradesh
4. Madhya Pradesh
5. Rajasthan

At Mangalam Cement, we are increasing our market reach and penetration and improving the visibility of our brand. Our extensive distribution network helps us reach more customers and fulfill their requirements in a speedy and efficient manner.

ENHANCING VISIBILITY

We conducted 34+ dealer meets and 138+ mason meets to increase product knowledge and visibility. Periodic television and radio advertisements also helped reach more potential customers.

DRIVING MOTIVATION

We conduct international and domestic tours for dealers to acknowledge their performance and motivate them to perform better.

ENHANCING THE TEAM

We recruit management graduates from reputed institutes to strengthen our marketing team.

Human Resources



We believe that a shared vision and motivated employees lie at the core of a Company's vitality and its ability to create value.

DRIVING MOTIVATION

At Mangalam Cement, we consistently foster a culture of learning and knowledge sharing to remain competitive. We nurture our human potential by empowering our employees through coaching, mentoring and on-the-job training.

A motivating work environment is a key driver of productivity and responsiveness. During 2012-13, over 155 employees received awards for their excellent contributions.

Training sessions are organised regularly for productivity enhancement techniques and best practices.

BOLSTERING RELATIONSHIPS

High attrition rate is one of the major challenges facing India's cement industry in recent years. However, at Mangalam Cement, we aim to alleviate the issue of attrition by focusing on bolstering employee relationships. The result: one of the lowest attrition and absenteeism rates in the industry.

SAFETY FIRST

Employee safety lies at the core of all our activities. We aim to attain zero accident rate at all our facilities. We celebrated 'Safety Week' to encourage safety consciousness, advocate safe practices and spread environmental awareness among the employees. Exhibition of various safety models were arranged to mark the event. Besides, around 200 people participated in different competitions organised during the year.





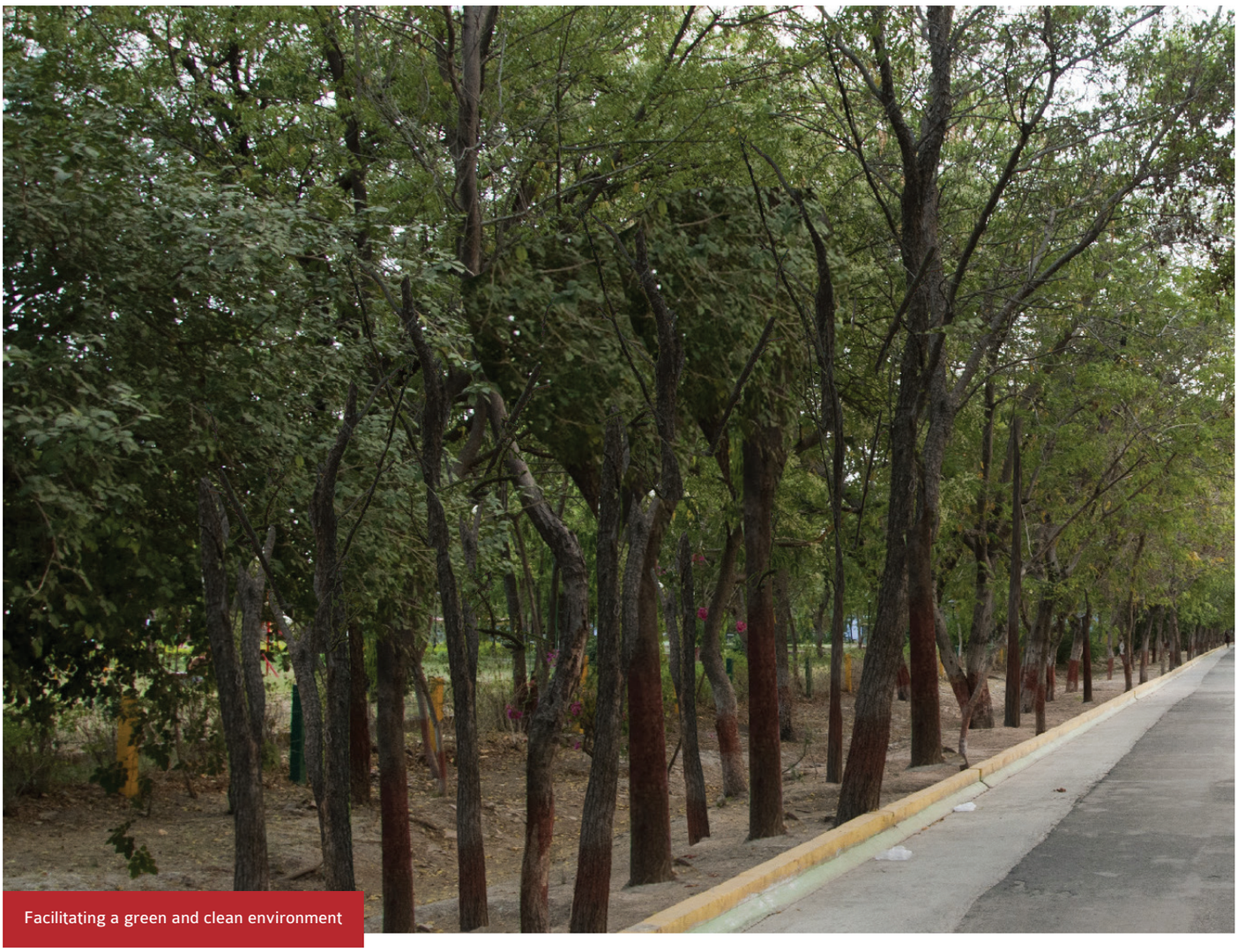
LEARNING AND DEVELOPMENT PROGRAMMES

Total organised in 2012-13	**235**
Total participants	**3,518**
Technical	140
Functional	42
Behavioural	53
Summer internship training	43
Government apprentice	21
External training	59

EMPLOYEE HEALTH INITIATIVES

Periodical Medical Checkup	**478**
Eye checkups	437
Talk on health	61
Pulse Polio	1,440
OPD	2,017

Green Initiatives



Facilitating a green and clean environment

WATER HARVESTING

Consistent water harvesting has helped us store 22 lac cubic meters of water in the mined out area. We also accumulate rain water from roof tops for use in other areas of the plant.

GREEN AWARENESS PROGRAMMES

We celebrated Energy Conservation Week to create environmental awareness among the employees, women and students. Moreover, we collaborated with Petroleum Conservation Research Association (PCRA) to organise training programmes. Joint Director and Deputy Director of PCRA imparted training to employees on 'Energy Conservation Techniques in Industry, Institution and Household'. Around 539 members participated in various competitions organised to spread awareness about energy conservation.



At Mangalam Cement, green initiatives are integral to our corporate philosophy. We adopt eco-friendly processes to minimise our environmental footprint and promote green awareness to help shape a cleaner and greener tomorrow.

WIND ENERGY

We have an aggregate wind turbine capacity of 13.65 MW at Jaisalmer, Rajasthan. We have replaced fossil fuel based grid power with renewable wind energy based green power. This initiative helped us reduce 22,700 MT equivalent of CO_2 emissions. The project has been registered under the Clean Development Mechanism (CDM) with the United Nations Framework Conventions on Climate Change (UNFCCC). The CDM project will annually generate over 22,000 Certified Emission Reductions (CERs).

Community Endeavours



ITI-Khairabad - Empowering rural youth

At Mangalam Cement, our community initiatives focus on education, vocational training, health and improving rural infrastructure.

EMPOWERING THROUGH EDUCATION

- Empowered rural youth with quality education through ITI-Khairabad; a new building, expected to be completed shortly, will add 126 new seats taking the total number of seats to 291
- Provides 15 days on-the-job training to all students under industry-institution interaction programme
- Mangalam Cement's DAV Public School, provides quality education up to 12th standard to over 1,200 students; students from the school feature regularly among the top rank holders in the state at board level examinations
- Maintain and equip two schools, namely Mahaveer Colony Middle School and Chousla Middle School, under the Rajasthan Government's scheme
- Provided higher education allowances to 54 deserving students to enable them to complete technical, professional and managerial courses

CREATING THE ROAD TO EMPLOYMENT

- Collaborates with ITI-Khairabad to organise a three months short-term computer course, which benefitted 20 students in the first batch; second batch of 30 students is under progress
- Operates four tailoring centres benefiting people from five nearby villages
- Trained over 90 students to help them obtain driving licenses,fostering self employment opportunities, such as tourist guides or travel agents

MAKING LIFE'S JOURNEY HEALTHIER

- Organised periodic medical camps in nearby villages with free consultancy and medicines
- Conducted awareness programmes on preventive health care, hygiene, immunisation, asthma, swine flu, family planning, AIDS and sexually transmitted diseases (STDs), among others
- Provided financial assistance to add 100 beds to Rajkiya Mangalam Hospital
- Operates a Paramarsh Kendra, benefiting over 5,000 people through consultancy from specialist and regular doctors
- Provides round-the-clock ambulance facility
- Distributed bio-gas stoves to households that prevents inhalation of harmful gases while cooking



Community Health Centre, Ramganj Mandi (Kota)

HEALTH INITIATIVES

Periodical medical check-up	478
Eye check-up	437
Pulse Polio vaccination	1,440 doses
Health camps (region-wise)	
Chousla	556
Shohankheda	246
Fatehpur	331
Heriakhedi	209
Budhkhan	403
Badodia	275
Total	**2,020**

FINANCIAL ASSISTANCE

At Mangalam Cement, we provided financial assistance to village Panchayat of Morak, Budhkhan, Hirakhedi and Badodia for rural infrastructure. We have helped develop different necessary facilities, like roads and by-passes, street lights, housekeeping, CC roads, temples and boundary walls, among others.

COMMUNITY DEVELOPMENT

- Provided consistent financial assistance to construct temples and mosques and celebrated festivals across local communities, facilitating religious harmony
- Provided fund to construct a bypass from Morak to Dhabadeh under Public Private Partnership (PPP)

Board of Directors



SHRI K.C. JAIN

Shri K.C. Jain, a qualified Chartered Accountant, is the Whole-time Director of Kesoram Industries Ltd. He has a rich 47 years experience in the cement industry. He has been a member of the Managing Committee of Cement Manufacturers' Association (CMA) for the past 34 years. He was the Managing Director of the Company from 1996 to March 31, 2012.



SMT. ARUNA MAKHAN

Smt. Aruna Makhan joined the Indian Audit & Accounts Service in 1967 and held the prestigious position of Controller General of Accounts before retirement. During her 37 years of service, Smt. Makhan attained a rich and versatile experience in the field of public financial management. She held various senior level positions in different departments.



SHRI K.K. MUDGIL

Shri K.K. Mudgil is B.A. (Hons.) in Economics and also pursued an advanced course in Organisation, Management and Financing of Small Scale Village Industries. He rose to the position of Chief General Manager of the Reserve Bank of India (RBI). On November 30, 1997, he retired as the Executive Director (on deputation from RBI) of National Housing Bank. Till 2012, he was holding the position of Secretary General, Council of State Industrial Development and Investment Corporations of India, New Delhi.



SHRI AMAL GANGULI

Shri Amal Ganguli is a fellow member of The Institute of Chartered Accountants of India and the Institute of Chartered Accountant in England and Wales. He is also a member of the New Delhi Chapter of The Institute of Internal Auditors, Florida, USA. Shri Ganguli spent 40 years of his professional career in Price Waterhouse/ Price Waterhome Coopers, UK/India. He served as the Chairman and Senior Parter of Price Waterhouse Coopers (PwC), India, for seven years before retiring in 2003. Subsequent to his retirement, Shri Ganguli's membership in boards of various companies as an independent director has helped him gain board-level experience.



SHRI N.G. KHAITAN

Shri N.G. Khaitan is practicing as Attorney and Advocate in the Hon'ble Calcutta High Court and the Hon'ble Supreme Court of India. He was rewarded during his law education curriculum. He was appointed as a Director in the Company since December 2000. He also serves as the Director in various other companies. He is a partner of M/s. Khaitan & Co., a leading attorney firm in India. Besides, Shri Khaitan is also a member of Bharat Chamber of Commerce and FICCI, New Delhi.



SHRI GAURAV GOEL

Shri Gaurav Goel is the Managing Director and Promoter Director of Dhampur Sugar Mills Ltd., one of the premier integrated sugarcane processing companies in India. His academic credentials include a business management graduation degree from the United Kingdom. He has been associated with Dhampur Sugar Mills since 1994 and is responsible for the smooth functioning of its financial aspects. He was the President of Entrepreneurs Organisation (EO), Delhi chapter, for 2006-2007.



SMT. VIDULA JALAN

Smt. Vidula Jalan is an Executive Director of the Company. She is an MBA in Strategic Marketing and Leadership and Change Management from the Indian School of Business, Hyderabad. Moreover, she also has an Accounting and Finance degree from The University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group.



SHRI ANSHUMAN VIKRAM JALAN

Shri A.V. Jalan is an Executive Director of the Company. He is a B.Com (Hons.) from St. Xavier's College, Kolkata. Besides, he has completed a management course in marketing and corporate finance from the London School of Economics, UK. Being involved in the management of manufacturing companies since 1998, he has gained a rich experience in business administration.

Management Discussion and Analysis



INDIAN ECONOMIC SCENARIO

India's economy faced several headwinds in domestic as well as global arena during 2012-13. The two important drivers of economic growth, viz. infrastructure and industrial projects, performed below expectations. The government announced several reforms, such as Foreign Direct Investment, high infrastructural spending during the Twelfth Five Year Plan and others, to deal with these areas of concern. Reserve Bank of India (RBI) reduced repo rate thrice and cash reserve ratio once in 2013 to tame inflation and spur growth. Domestic economy is likely to prosper in 2013-14, as indicated by these factors:

Gross Domestic Product (GDP)

India's GDP, pegged at 5% per annum in 2012-13, is projected to reach 6% in the 2013-14.

Wholesale price inflation

It went below 5% in 2013 against average level of around 7.5% during 2012-13.

Fiscal deficit

India's fiscal deficit for 2012-13 is estimated to drop below 5.2% of GDP, against 5.9% of GDP in 2011-12. Fiscal deficit is likely to be at 4.8% of GDP in 2013-14 and is expected to reach 3% of GDP by 2016-17.

INDIAN CEMENT INDUSTRY

India's cement industry has a high correlation with the country's economic growth. This is because, it witnesses strong linkages with other industries, such as coal, power, infrastructure and transportation. Cement is, thus, one of the core industries in India's economy. It consists of 42 players, comprising around 139 large and over 365 mini cement plants (Source: IBEF, February 2013).

Key metrics

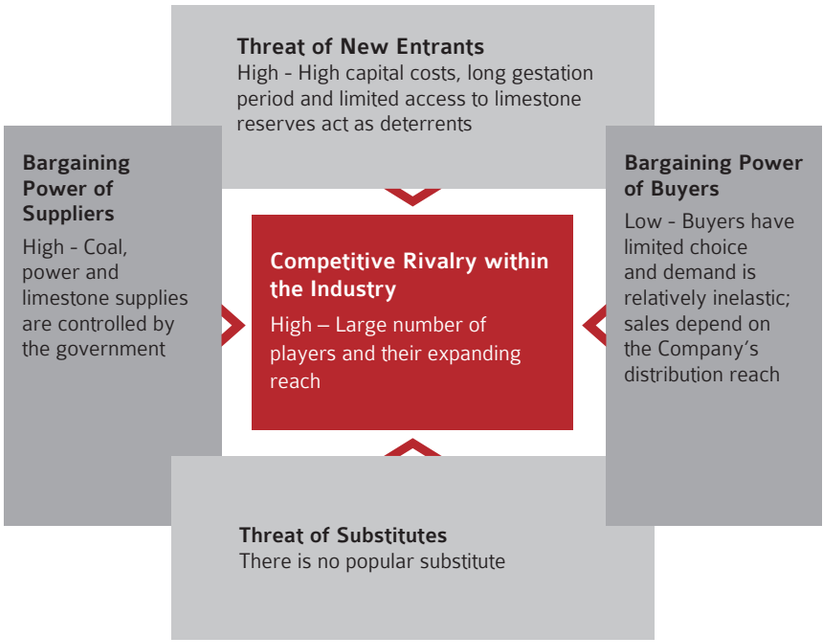
- India is the second largest cement-producing country globally, after China.
- The country's cement production grew by approximately 6.1% y-o-y in the first nine months of 2012-13.

- India's cement industry consumes hazardous wastes like fly ash (around 30 million tons) from thermal power plants and the entire slag (8 million tons) produced by steel manufacturing units, thus contributing to environmental cleanliness (Source: Ministry of External Affairs, Government of India).
- India exports cement to around 30 countries globally.

The industry is expected to increase capacity by 30-40 million TPA in 2013 and reach projected market size of Rs. 1,794 billion by 2016-17.

NET PROFIT AFTER TAX INCREASED FROM RS. 55.99 CRORE IN 2011-12 TO RS. 77.37 CRORE IN 2012-13, ON THE BACK OF HIGHER SALES REALISATION. THE RISE WAS DRIVEN BY VARIOUS COST-EFFECTIVE MEASURES TO REDUCE COAL AND POWER CONSUMPTIONS.

PORTER'S FIVE FORCES MODEL FOR THE CEMENT INDUSTRY



GROWTH DRIVERS

High infrastructure spending and housing demand revival

Initiatives taken in the Budget 2013-14

- Setting up of a Rs. 2,000 crore fund for urban housing
- Raising allocation for rural housing
- Additional tax sops for home loans up to Rs. 25 lacs

These measures will help increase housing demand. The government planned to make an investment of USD 1 trillion during the Twelfth Five Year Plan (2012-17). Such spending will boost the level of economic activity, which, in turn, will increase cement demand.

Low per capita cement consumption

India's per capita cement consumption, at around 136 kg, is much lower than the global average of 508 kg (Source: BDO India Report). This leaves major scope for penetration, which is attracting significant interest from foreign players who aim to establish new plants or opt for brownfield acquisitions. This is expected to catalyse cement industry's growth.

Rising urbanisation

Increasing urbanisation, rising per capita income and augmenting population are expected to drive India's cement and brick demand. The country is also expected to experience a surge in its urban and young earning population by 171 million and 170 million, respectively, over the next 15 years (Source: The United Nations). It would generate high demand and rural India is expected to be the major participant in the next growth phase.

Demand revival

Demand grew at an average compound annual growth rate (CAGR) of 10% during 2004-10, while domestic consumption growth fell below 7% from 2009-10 to 2011-12. With India's economic outlook appearing positive, demand is likely to bounce back to around 7.5-8% in 2014-15. It has been observed historically that India's cement demand increases during election years. Hence, upcoming elections in May 2014 can also augment this demand.

COST DRIVERS ARE LIKELY TO SUBSIDE

Power and coal costs

Power and coal account for around 30% of the operating costs. Four major factors that contributed to sharp rise of power and coal costs include:

- Domestic linkage coal price hike
- Increase in international coal prices
- Rupee depreciation
- Reliance on imported fuels due to low linkage coal supply

Coal prices, though expected to rise, are likely to experience lower growth rates in future than in recent times. The fall in international coal prices, which reached its peak in the fourth quarter of 2010-11, helped offset rupee depreciation. Decline in international coal prices is expected to restrict coal costs rise. Stable coal availability will also prevent paradigm shift in fuel mix.

Freight costs

Increasing freight costs, augmenting on account of diesel price hike and rising rail freight charges, continue to be a major concern for the companies. Despite efforts being made to reduce distances between manufacturing centre and the markets, it still accounts for 25-30% of the operating prices, causing cost pressure.

The cement industry's political, economic, social and technological (PEST) analysis

Political

- Cement prices depend on government-controlled issues, such as coal and power costs, railway freight charges, taxes and royalty and cess on limestone.
- Government schemes and programmes like Indira Awaas Yojana, Mahatma Gandhi National Rural Employment Guarantee Scheme (NREGS) and others increase income and enhance cement demand in rural India.
- India's government plans to increase its infrastructural investment to USD 1 trillion in the Twelfth Five Year Plan (2012-17), thus enhancing cement demand.

Economic

- India's wholesale price inflation declined to below 5% in 2013 from the average level of 7.5% during 2012-13, increasing disposable income.
- RBI has cut repo rate thrice and cash reserve ratio once in 2013, bringing them down to 7.25% and 4%, respectively; this initiative may bring relief from the high inflation and spur growth.
- The government targets to reduce fiscal deficit from lower than 5.2% in 2012-13 to 3% of GDP by 2016-17, as per revised estimates.

Social

- Rising urbanisation and high population growth will help augment India's cement demand.
- India's urban and young earning population are expected to increase by 171 million and 170 million, respectively, over the next 15 years; it would help generate high demand and the next phase of growth can come from the rural areas (Source: United Nations).

Technology

- India's major cement players implemented a state-of-the-art technology in their plants.
- The industry focus is shifting from production to energy efficiency and sustainability.
- The government is emphasising on innovation needs to introduce new processes and technologies in the cement industry.

Industry outlook

India is globally ranked as the second-largest cement producer, coming only behind China. India's cement industry increased in terms of value at a CAGR of 13.14% from 2007 to 2011, and is expected to grow at a CAGR of 10.64% from 2012 to 2016. Some of the factors, which are expected to catalyse industry growth, include the government's various commitments to drive infrastructure spending, and increase residential and commercial construction activities. Upcoming infrastructure projects, including energy, roads, ports and airport projects across India will continue to drive the country's cement industry growth.



Highlights of financial performance

Rs. in lacs

	Particulars	2012-13	2011-12	Change (%)
1.	Net sales	69,869.47	62,213.98	+12.31
2.	Operating profit before interest, depreciation and taxation	13,772.67	11,009.13	+25.10
3.	Less: Interest and financial charges	483.58	310.83	+55.58
4.	Profit after interest	13,289.09	10,698.30	+24.22
5.	Less: Depreciation	2,508.15	3,204.49	-21.73
6.	Profit before tax	10,780.94	7,493.81	+43.86
7.	Provision for taxes	3,044.08	1,895.02	+60.64
8.	Net profit after tax	7,736.86	5,598.79	+38.19

The Company improved on its financial performance in 2012-13.

Net sales increased by 12.31% from Rs. 622.14 crore in 2011-12 to Rs. 698.70 crore in 2012-13.

Gross profit before depreciation and tax increased from Rs. 106.98 in 2011-12 to Rs. 132.89 crore in 2012-13.

Net profit after tax increased from Rs. 55.99 crore in 2011-12 to Rs. 77.37 crore in 2012-13, on the back of higher sales realisation. The rise was driven by various cost-effective measures to reduce coal and power consumptions.

EPS increased from Rs. 20.97 per share in 2011-12 to Rs. 28.98 per share in 2012-13.

Operational performance

Clinker Production (MT)

	2012-13	2011-12
Mangalam Cement (Unit-I)	5,69,484	4,99,188
Neer Shree Cement (Unit-II)	11,31,296	9,14,154
Total	**17,00,780**	**14,13,342**

Cement Production (MT)

	2012-13	2011-12
Mangalam Cement	6,03,627	4,94,113
Neer Shree Cement	12,40,816	11,37,919
Total	**18,44,443**	**16,32,032**

Power Consumption (Per MT on Cement)

	2012-13	2011-12
Mangalam Cement	95 Kwh	105 Kwh
Neer Shree Cement	71 Kwh	73 Kwh

Coal Consumption (Per MT on Clinker)

	2012-13	2011-12
Mangalam Cement	108.90 Kg	136 Kg
Neer Shree Cement	98.40 Kg	120 Kg

Power Generation (In Lacs Kwh)

	2012-13	2011-12
Captive Thermal Power Plant	1,637.65	1,432.56
Wind Turbines	177.69	178.84

RISK MANAGEMENT

In today's rapidly changing economic environment, businesses face risks emanating from internal as well as external sources. Leading a business successfully involves proper identification and prudent management of the risks. Mangalam Cement Limited has proper enterprise risk management (ERM) policies in place to identify, manage and mitigate risks and emerge as a risk-focused organisation.

Volatile economic scenario

The global and domestic economic slowdown adversely impacted India's cement market, where demands dipped, affecting the topline of the cement companies.

Mitigating factors

- India's GDP growth is projected to be around 6% in 2013-14 (Source: Central Statistical Organisation).
- The country's cement industry is expected grow at around 7.5-8% in 2014-15.

Unavailability of raw materials

Inability to source key inputs at the right price and time, or in the right quantity and quality can create input risks for the Company.

Mitigating factors

- The Company has sufficient limestone reserves to meet input requirements.
- Long-term relationships with raw material suppliers ensure consistent supply.
- Various initiatives have been undertaken to optimise raw material use and increase productivity.

Realisations below expectations

Low realisations can affect the Company's profitability.

Mitigating factors

- The Company witnesses higher realisation per ton of cement.
- It maintains a proper mix of retail and institutional sales.

Inexperienced manpower

Lack of adequate experience of the employees to run the business in a challenging environment can expose the Company to risks.

Mitigating factors

- Most of the Company's employees have over 16 years of industry experience.
- The Company provides specialised training to its employees.
- Qualified and well-experienced personnel occupy key positions in the Company.
- The Company maintains an attrition level much below industry standards.

Limited geographic reach

A limited geographic presence might impact the Company's growth

Mitigating factors

- The Company has extensive network strength to ensure business growth.
- Proper connectivity through roads and railways helps in efficient dispatch of the Company's products.
- The Company enjoys strong brand recall value, as it ranks among top five cement manufacturers in its operating region.



INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls across multiple areas of its operation. The systems are operating properly by utilising the services of internal and external auditors periodically, and also its own competent and qualified personnel. The Audit Committee ensures proper compliance with the provisions of the Listing Agreement with the stock exchanges and relevant provision of The Companies Act.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

At Mangalam, measures for employee safety, training, welfare and development continue to get top priority at all levels and results are reflected in the improved quality and efficiency.

The Company's training programmes and value-based teaching enhance motivational levels among its people. The Company's industrial relations as well as public relations with all external agencies were cordial. The Company had 916 employees, as on 31st March, 2013.

CAUTIONARY STATEMENT

Statement in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security law or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, changes in Government regulations and tax structure, economic developments and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

Yours faithfully,

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

New Delhi
2nd May, 2013

Report of the Directors

for the year ended 31st march, 2013



Dear Shareholders,

The Directors have pleasure in presenting the 37th Annual Report of the Company together with the audited statements of accounts for the year ended 31st March, 2013. The summarised Financial Results are given below:

1. FINANCIAL RESULT

(Rs. in lacs)

	Current Year ended 31st March, 2013	Previous Year ended 31st March, 2012
Net Sales/ Income from operations	70604.11	63076.54
Operating Profit before Interest and Financial Charges, Depreciation and Tax	13772.67	11009.13
Less: Interest and Financial Charges	483.58	310.83
Gross Profit before Depreciation and Tax	13289.09	10698.30
Less: Depreciation (net of transfer from Revaluation Reserve)	2508.15	3204.49
Profit before Tax	10780.94	7493.81
Less: Provision for Tax:		
(a) Income Tax for current year	3220.00	1598.60
(b) Income Tax for earlier years (Net)	21.08	-
(c) Deferred Tax	(197.00)	296.42
Net Profit After Tax	7736.86	5598.79
Profit brought forward from previous year	34255.03	31117.69
Profit available for appropriation	**41991.89**	**36716.48**
APPROPRIATIONS		
(a) Transfer to General Reserve	800.00	600.00
(b) Proposed Dividend on Equity Shares	1601.63	1601.63
(c) Corporate Dividend Tax	272.20	259.82
(d) Balance carried forward to next year	39318.06	34255.03
Total	**41991.89**	**36716.48**

2. DIVIDEND

We recommend a dividend of Rs. 6.00 per equity share of Rs.10/- each for the year ended 31st March, 2013. The total outgo in this respect will be Rs. 1873.83 lacs including corporate dividend tax.

3. DEFERRED TAX

In terms of the order dated 30th November, 2007 of the Hon'ble High Court of Rajasthan, reversal of deferred tax liability excess provided in earlier years amounting Rs. 148.96 lacs has been transferred to the Securities Premium Account and deferred tax assets of Rs. 197.00 lacs have been credited to the Statement of Profit & Loss.

4. OVERALL PERFORMANCE

The Performance of the Company has been comprehensively covered in the Management Discussions and Analysis Report which forms part of the Directors' Report.

5. WIND TURBINES

The Company owns 13 Wind Turbines with a total capacity of 13.65 MW generation per day. Total Generation from all the turbines together during the year was 177.69 lacs Kwh.

6. CAPTIVE THERMAL POWER PLANT

Against the present requirement of 23 MW power, the Company has captive power plants of 35 MW capacity. On many occasions the Company has to keep one plant idle as the rates offered by the Government of Rajasthan and also on the Energy Exchange for purchase of power produced by the Company were not profitable. On increase in production of clinker capacity by 0.5 million TPA and new grinding unit by 1.25 million TPA, 100% captive capacity shall be utilised.

7. NEW PROJECTS AND CAPACITY EXPANSION

The work of optimisation and expansion of clinker manufacturing capacity by 0.5 mtpa and the cement grinding capacity by 1.25 mtpa is in full swing and all necessary efforts are being made to complete the project as per schedule and is expected to commence production by the end of 2nd quarter of 2013-14, subject to any unforeseen circumstance.

8. FINANCE

To meet the fund requirement for the ongoing project, the Company has been sanctioned financial assistance of Rs. 125.00 crores from HDFC Bank Limited. External Commercial Borrowing of USD 25 million equivalent to Rs. 135.07 crores from DBS Bank Limited and Rs. 100.00 crores from State Bank of India. During the year, the Company has availed Rs. 211.00 crores from the above mentioned banks.

9. CREDIT RATINGS

Your Directors are pleased to inform you that Credit Analysis & Research Ltd (CARE) reaffirmed the rating of 'CARE AA-'(Double A minus) assigned for long term facilities. The 'CARE AA' rating is considered to offer a high degree of safety regarding timely servicing of financial obligations and indicates that such borrowings carry low credit risk. CARE assigns '+' or '-'signs to be shown after the assigned rating (wherever necessary) to indicate the relative position within the band covered by the rating symbol.

Further, CARE has re-affirmed its 'CARE A1 +' (A one Plus) rating assigned to the Company's short term facilities. This is the highest rating for short term facilities. CARE

THE WORK OF OPTIMISATION AND EXPANSION OF CLINKER MANUFACTURING CAPACITY BY 0.5 MTPA AND THE CEMENT GRINDING CAPACITY BY 1.25 MTPA IS IN FULL SWING AND ALL NECESSARY EFFORTS ARE BEING MADE TO COMPLETE THE PROJECT AS PER SCHEDULE.





A1 rating indicates a strong capacity for timely payment of short term debt obligations and carries the lowest credit risk.

10. INSURANCE

Adequate insurance cover has been taken for the properties of the Company including buildings, plant and machinery and stocks.

11. DIRECTORS

Shri O.P.Gupta, Chairman of the Company has resigned from the office and Chairmanship of the Company effective from 31st March, 2013 due to his bad health. The Board expresses its sincere appreciation for his guidance and efforts in the progress of the Company during his tenure.

The Board has appointed Shri Amal Ganguli as an additional director of the Company from 11th February, 2013. He holds office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice from member under section 257 of The Companies Act, 1956 proposing the name of Shri Amal Ganguli for appointment as Director of the Company.

In accordance with Article 99 of the Articles of Association of the Company Smt. Vidula Jalan, Executive Director and Shri K.K.Mudgil, Director of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The resumes of Shri Amal Ganguli, Smt. Vidula Jalan and Shri K.K.Mudgil are given in the Notice of Annual General Meeting.

12. AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification, reservation or adverse remark.

13. STATUTORY AUDITORS

M/s. Jain Pramod Jain & Co., Chartered Accountants, (Firm Registration No. 016746N), the auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment and they have confirmed that their re-appointment, if made, shall be within the limits of Section 224 (1B) of The Companies Act, 1956. The Board recommends their re-appointment.

14. COST AUDIT

Pursuant to the directives of the Central Government under the provisions of Section 233-B of the Companies Act, 1956, a Cost Auditor has been appointed to audit the cost records of your Company for the year ended 31st March, 2013.

15. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors declare that:

(i) in preparation of the Annual Accounts, applicable accounting standards have been followed and that no material departure has been made therefrom;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2013 and of the profit of the Company for that year;

(iii) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of The Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) they have prepared the annual accounts on a going concern basis.

16. PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section 217 (2A) of The Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 as amended, regarding employees is annexed.

17. PARTICULARS OF ENERGY CONSERVATION ETC.

Particulars as required to be disclosed as per Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the statement attached hereto and form part of this Report.

18. CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with the Corporate Governance norms stipulated in Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

19. PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposit from the public within the meaning of Section 58A of The Companies Act, 1956 during the year.

20. CASH FLOW ANALYSIS

In conformity with the provision of clause 32 of the Listing Agreement(s), a cash flow statement for the financial year ended 31st March, 2013 forms part of the audited accounts.

21. AWARDS

Your Directors are pleased to inform that the Company has received the following awards during the year:

During the Mines Environmental & Mineral Conservation Week 2012-13 under the aegis of the Indian Bureau of Mines, Government of India, Ajmer:

S. No.	Activities	Prize
1	Reclamation & Rehabilitation of Land	First prize
2	Water Pollution	Second prize
3	Community Development	Second prize

22. ACKNOWLEDGEMENTS

Your Directors place on record, their deep appreciation of the devoted services rendered by the employees of the Company who have contributed towards an excellent performance of the Company. Their grateful thanks are due to the State Government of Rajasthan, investors, bankers and the district level authorities for the support extended to the Company from time to time. Shareholders' appreciation of the Management's efforts expressed at the General Meetings of the Company are a great fillip to strive for better performance.

Yours faithfully

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

New Delhi
2nd May, 2013

INFORMATION AS PER SECTION 217(1)(E) READ WITH COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

A. CONSERVATION OF ENERGY:

1) ENERGY CONSERVATION MEASURES TAKEN

a) Optimisation of Unit-I Raw Mill, Kiln & Cement Mill output rate.
b) Optimisation of Unit-II Kiln & Cement mill output rate.
c) Optimisation of Fly ash consumption.
d) Installation of GRR in Unit-II VRM Fan & removal of inlet damper.
e) Installation of GRR in Unit-II Cement Mill Sepol fan & removal of inlet damper.
f) Installation of medium voltage drive for VRPM main drive.
g) Optimisation of Auxiliary power consumption of CPP I & II by various measures.
h) Utilisation of renewable electrical energy for captive uses:
We have utilised (net) 169.73 lacs Kwh of wind power electricity for captive use generated from 13 Wind Mills of 13.65 MW capacity installed at Jaisalmer.

2) ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.

Project to be implemented:

a) Upgradation of Unit-I Pyro section by installation of new 6 stage Pre heater with pre-calciner and installation of new high efficiency Clinker Cooler with TA Duct. Capacity will be upgraded to 3000 TPD.
b) Installation of VRM of 125 TPH Capacity & VCM of 30 TPH capacity in Unit-I
c) Installation on new grinding unit of 150 TPH capacity along with most modern packing plant.

3) IMPACT OF THE MEASURES AS ABOVE FOR THE REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT OF THE COST OF PRODUCTION OF GOODS.

(i) By the efforts mentioned in 1(a to f) we have reduced the specific Electrical Energy consumption by 9.78 Kwh per ton of Cement in Unit-I and 2.28 Kwh per ton of Cement in Unit II compared to the year 2011-12.
(ii) By the efforts mentioned in 1 (g) auxiliary power consumption of CPP I & II combined have reduced to 9.59% compared to 11.22% in the year 2011-12.
(iii) On implementation of project mentioned in (2) - (a)(b)(c), in Unit-I the expected saving in specific thermal Energy consumption will be approx. 140 kcal/kg of clinker and in electrical specific power 7 units per ton of cement.

4. TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM- A OF THE ANNEXURE TO THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULE.

	2012-13	2011-12
I. POWER AND FUEL CONSUMPTION		
1 Electricity		
a) Purchased (Net) (units in lacs)	17.64	41.27
Total amount (Rs. in lacs)	334.22	483.71
Rate/Unit (Rs.)	18.94	11.72
b) Own Generation		
i. Through Diesel Generators		
Units (in lacs)	0.06	0.09
Unit per Ltr. of Diesel oil	4.44	3.04
Cost/unit (Rs.)	12.26	27.05
ii. Through Steam Turbine/Generator		
Unit (Kwh in lacs)	1637.66	1432.56
Unit per Kg of coal	1.045	1.184
Cost/Unit (Rs.)	4.56	3.83
iii. Through Wind Mills		
Gross units(Kwh in lacs)	177.69	178.84
Net Units (Kwh in lacs)	169.73	170.83

		2012-13	2011-12
2	**Coal**		
	a. Used for Calcining of Raw Meal		
	Quantity (MT)	173375	177343
	Total cost (Rs.in lacs)	12953.72	11159.52
	Average Rate (Rs./MT)	7471.51	6292.62
	b. Used in Steam Turbine/Generator		
	Quantity (MT)	156676	121000
	Total cost (Rs.in lacs)	5945.09	4153.66
	Average Rate (Rs./MT)	3794.51	3432.78
3	**Furnace Oil**	N.A.	N.A.

II. CONSUMPTION PER UNIT OF PRODUCTION

Products Unit	Industry Avg.	Cement MT	Cement MT
Electricity			
i) Unit-I	100-120 Kwh	95 Kwh	105 Kwh
ii) Unit-II	70-90 Kwh	71 Kwh	73 Kwh
Furnace oil		N.A.	N.A.
Coal per ton on Cement			
i) Unit-I		99 Kg	124 Kg
ii) Unit-II		70 Kg	90 Kg

B. TECHNOLOGY ABSORPTION

Efforts made in Technology absorption - as per Form 'B 'given below

1. Research & Development (R&D)

(a) Specific areas in which R&D Carried out

Research & Development projects have been taken up for development of new and better quality cement of International standard, improvement in cement quality with the help of improvisation of Raw Materials, new technique in analysis, to be more elaborate in increasing efficiency and control in pollution. To initiate the above, following steps are accomplishes successfully:

1. Improvement in mill production by fixing despersion plate at inlet of LV Separator for proper distribution.
2. Sepol separator blade angles changed from 68% to 73% to enhance the output of Cement Mill.
3. Circular plate of height 25.0 mm fixed at Sepol Separator inlet top for proper distribution of material.
4. Removal of Sepol separator fan damper for proper venting.
5. For Mills grinding media charging method improved, for fast and safely charging.
6. Development of Pond Ash feeding system by two ways, one at mill inlet direct by passing Polycom circuit and another through with fresh feed.
7. For grindability improvement, venting line duct dia increased to reduce the velocity across the mill.
8. To improve the sampling method or to get representative sample, advanced auto-sampler installed in Raw Mills & Cement Mills.
9. Online ambient air quality monitoring system.
10. Developments of a special type cement i.e. Sulphate Resisting Portland Cement (SRPC) with the existing raw materials.
11. Kiln RPM increase up to 01 RPM by replacing the low gear box ratio, gear box.
12. Utilisation of inferior or low Grade limestone of first bench having high argillaceous and siliceous by cross feeding for better screening.
13. Installation of Shredder machine in Pre-heater area for using waste materials.
14. Usage of waste stone slurry for production of Synthetic Gypsum.

(b) Benefit derived as a result of above R&D.

1. Quality improvement for Clinker & Cement by using alternate additives.
2. Material audit & conservation of resources.
3. Monitoring of raw materials, semi-finished & finished products at regular intervals.
4. Proximate analysis of fuel and alternate fuels.
5. Determination of new elements such as TiO2, Mn2O3, P2O5 etc. by XRF.
6. Installation of new systems for Pollution Control and to enhanced the efficiency of equipments.

(c) Future Plans of action.

1. Development of drawing & feeding system for improved utilisation of Fly Ash having high moisture content.
2. Rerouting of recirculation duct in VRM to reduce gas quantity to ESP.
3. Improvement in through put, quality of cement & power saving by controlling VRPM table feeder speed by VFD.
4. A proposal to use low grade limestone with aluminous / ferruginous material to prepare artificial slag.
5. Utilisation of grinding aids in cement mills to increase throughput and lower power costs.
6. Morak Limestone dust addition in coal to reduce sulphur tri-oxide content into the Kiln.
7. Implementation of waste heat recovery project to utilise the waste heat from the Pre-heater unit to convert it into steam for generation of power.

(d) Expenditure on R&D

(Rs. in lacs)

		2012-13	2011-12
i)	Capital	40.06	76.64
ii)	Recurring Expenses	284.27	191.76
iii)	**Total (i+ii)**	**324.33**	**268.40**
iv)	Total R&D Expenditure as a percentage of Total Turnover	0.40%	0.37%

2. Technology absorption, adoption and innovation:

Efforts made in brief			
a)	Towards technology absorption	1.	Continuous interaction with the main plant supplier and other for technical assistance, has helped to achieve optimum benefits of the advancement in technology such as plant optimisation, efficient use of energy etc.
		2.	Plant personnel were trained by experts, in-house and outside through Seminars and visits.
b)	Benefits derived as a result of above efforts e.g. products improvement, cost reduction, product development, import substitution etc.		Improved quality and productivity throughput and cost reduction, due to thermal and electrical energy savings.
c)	Incase of imported technology (imported during the last 5 years reckoned from the beginning of the Financial year) following information may be furnished		
	i) Technology imported	:	NIL
	ii) Year of import	:	N.A
	iii) Has Technology been fully absorbed	:	N.A
	iv) If not fully absorbed, areas where this has not taken place, reason thereof and future plan of action	:	N.A

C. FOREIGN EXCHANGE EARNING AND OUTGO:

(a)	Total foreign exchange earned	Rs. 525.71 lacs
(b)	Total foreign exchange used	Rs. 4079.26 lacs

Yours faithfully,

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

New Delhi
2nd May, 2013

STATEMENT PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31 ST MARCH, 2013

S NO.	Name		Designation	Qualification	Date Of Birth	Age (In Years)	Date of Commencement of Employment	Expereince in Years	Remuneration	Previous Employment & Designation
A	Employees who were employed throughout the year and were in receipt of remuneration in aggregate of not less than Rs. 6000000 for 12 months.									
	1	Shri Anshuman Vikram Jalan	Executive Director	Management Course In Marketing & Corporate Finance, B Com (Hons.)	01-12-1976	37	01-04-2011	13	13441063	Shri Guru Carbide & Chemicals Pvt. Ltd Managing Director
	2	Smt Vidula Jalan	Executive Director	MBA (MKTG), B.A.(HONS.)	27-08-1979	34	01-04-2011	8	13444506	Manav Investment & Trading Co Ltd
	3	Shri S. S. Jain	President	B.E.(MECH.)	01-07-1950	63	28-8-2010	42	9301697	Murli Industries Ltd Nagpur Executive Director Cement Business
B	Employees who were employed for a part of the year and were in receipt of remuneration in aggregate of not less than Rs. 500000 per month.									
	1	Shri R C Gupta	President & Company Secretary	C.S.LLB,DLL	10-04-1949	64	15-04-1978	39	5813605	Track Parts Of India Ltd Kanpur Secretary

NOTE

1. Above mentioned employee are / were on contractual basis.
2. Employee mentioned at S. No. 1 & 2 are related to each other being spouse.
3. Remuneration here includes salary, allowances, commission,value of perquistes and company's contribution towards provident and superannuation funds.
4. In addition to above remuneration,employee are entitled to gratuity in term of there appointment.
5. Shri R. C. Gupta resigned the services w.e.f 7th August, 2012.

Report on Corporate Governance

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an organisation is managed. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of Corporate Governance.



A. COMPLIANCE OF MANDATORY REQUIREMENTS:

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the details of Corporate Governance Compliance by the Company are as under:

I. Company's Philosophy of Corporate Governance

Company believes that good Corporate Governance is a basic tool to achieve long-term corporate goals and to create shareholders' value on a sustainable basis. The Company's philosophy on Corporate Governance envisages attainment of high level of transparency, accountability and integrity in all its facets including the conduct of its business, its relationship with its stakeholders viz. shareholders, employees, customers, government and the lenders.

II. Board of Directors

a) Composition of the Board

As on 31st march, 2013, the Board of Directors of the Company consists of eight Directors out of which six are Non-Executive and five are Independent Directors as against minimum requirement of 1/3 rd as per clause 49 of the Listing Agreement. The composition of Board of Directors is as follows:-

S. No.	Name of the Director	Executive/ Non-Executive/Independent	Members of the Board of other public companies excluding directorship in Pvt. companies	Total No. of outside committee membership held (excluding private companies).	
				As Chairman	As Member
1.	Shri. K.C. Jain	Non Executive Director	2	-	-
2.	Smt. Aruna Makhan	Non-Executive & Independent	1	-	3
3.	Shri K.K.Mudgil	Non-Executive & Independent	-	-	-
4.	Shri Amal Ganguli	Non-Executive & Independent	11	4	6
5.	Shri N.G. Khaitan	Non-Executive & Independent	8	1	6
6.	Shri Gaurav Goel	Non-Executive & Independent	3	-	-
7.	Smt. Vidula Jalan	Executive Director	2	-	1
8.	Shri A.V.Jalan	Executive Director	2	-	1

Except Shri A.V.Jalan and Smt Vidula Jalan, who are spouses, no Director is related to any other Directors on the Board in terms of the provisions of the Companies Act, 1956. All the Directors who are on various Committees are within the permissible limits of the Listing Agreement. The Directors have intimated from time to time their membership in other various Committees in other companies. Shri O. P. Gupta resigned as Director and Chairman w.e.f. 31st March, 2013

b) Board Meetings and attendance of the Directors

(i) The Company's Board of Directors plays a primary role in ensuring good governance and functioning of the Company. All the relevant information (as mandated by the regulations) is placed before the Board. The Board reviews from time to time compliance reports of all the laws applicable to the Company. The members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year ended on 31st March, 2013 the Board of Directors had five (5) meetings. They were held on:

S.No.	Date of Meeting
1.	05.05.2012
2.	05.08.2012
3.	03.09.2012
4.	09.11.2012
5.	11.02.2013

(ii) The attendance record of the Directors at the Board Meetings during the year ended 31st March, 2013 and the last Annual General Meeting (AGM) is as under:

S.No.	Name of the Director	No. of Board Meetings Attended	Attendance at the Last AGM
1.	Shri O.P.Gupta*	0 out of 5	No
2.	Shri K.K.Mudgil	5 out of 5	Yes
3.	Shri N.G. Khaitan	5 out of 5	Yes
4.	Shri A.V.Jalan	5 out of 5	Yes
5.	Smt Vidula Jalan	4 out of 5	Yes
6.	Shri K.C. Jain**	5 out of 5	Yes
7.	Smt. Aruna Makhan ***	4 out of 5	No
8.	Shri Gaurav Goel #	3 out of 5	No
9.	Shri Amal Ganguli ##	1 out of 1	No

* Shri O. P. Gupta resigned as Director and Chairman w.e.f 31st March, 2013.

** Shri K.C.Jain was appointed as Additional Director w.e.f 5th May, 2012

*** Smt. Aruna Makhan was appointed as Additional Director w.e.f 5th May, 2012

Shri Gaurav Goel was appointed as Additional Director w.e.f 5th May, 2012

Shri Amal Ganguli was appointed as Additional Director w.e.f 11th February, 2013

c) Remuneration

(i) Details of the sitting fee, commission and remuneration paid to the Directors during the year ended 31st March, 2013 are as under:

(in Rs.)

S. No	Name of the Director	Salary	Commission Payable for the year	Perquisites	Sitting Fee paid during the year	Total
1.	Shri O.P.Gupta	-	450000	-	10000	460000
2.	Shri K.K.Mudgil	-	450000	-	420000	870000
3.	Shri N.G.Khaitan	-	450000	-	230000	680000
4.	Shri A.V.Jalan	2640000	10000000	801063	-	13441063
5.	Smt. Vidula Jalan	2640000	10000000	804506	-	13444506
6.	Shri K.C.Jain	-	450000	-	160000	610000
7.	Smt. Aruna Makhan	-	450000	-	340000	790000
8.	Shri Gaurav Goel	-	450000	-	70000	520000
9.	Shri Amal Ganguli	-	450000	-	20000	470000

(ii) Besides the sitting fee and traveling expenses to attend any meeting of the Board or any Committee thereof, Non Executive Director (NED) are paid commission @1% of net profit of the Company subject to maximum of Rs.4.5 lacs to each NED.

(iii) Commission payable to the Executive Directors at the rate of not exceeding 1% of the net profits of the Company for a period of 3 years w.e.f. 1st April, 2011 as approved by the shareholders in their meeting held on 29th April, 2011.

(iv) The Company does not have any stock option or any performance linked incentive that is paid to the Directors.

d) Code of Conduct

The Company has laid down a Code of Conduct applicable to all Board Members and senior management personnel for avoidance of conflicts of interest between each of the above individuals and the Company. All the Board Members and senior management personnel have affirmed compliance with the Code of Conduct as at the end of each Financial Year. The required declarations in respect of the Financial Year 2012-13 have been received from all Board Members and senior management personnel. There were no materially significant transactions as defined in Clause 49 of the Listing Agreement during the Financial Year with Board Members and senior management staff, including their relatives, that had or could have had a potential conflict with the interest of the Company at large.

The Code of Conduct is available on the website of the Company

III. Committees of the Board as on 31st March, 2013

a. Audit Committee

(i) The Audit Committee was reconstituted on 5th May, 2012 and again on 11th February, 2013 and consists of three Independent and four Non Executive Directors. The terms of reference to the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchanges read with section 292A of the Companies Act, 1956. These broadly include review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly/half yearly/annual financial results, interaction with statutory, internal and cost auditors and appointment and removal of Internal Auditors.

(ii) During the year ended 31st March, 2013, the Audit Committee held 4 meetings. They were held on 05.05.2012, 05.08.2012, 09.11.2012 and 11.02.2013.

(iii) Details of the composition of the Audit Committee and the attendance at the Meetings held are as follows.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri K. C. Jain*	Chairman	1 out of 1
2.	Shri O.P.Gupta**	Member	0 out of 4
3.	Shri K.K.Mudgil	Member	4 out of 4
4.	Shri N.G. Khaitan	Member	4 out of 4
5.	Smt. Aruna Makhan#	Member	2 out of 3

* Shri K. C. Jain joined the committee w.e.f. 11th February, 2013.
** Shri O. P. Gupta resigned as Director w.e.f 31st March, 2013.
Smt. Aruna Makhan joined the committee w.e.f 5th May, 2012.

(iv) At the invitation of the Committee, Internal Auditors, Cost Auditors, Statutory Auditors, Company Secretary who is acting as Secretary to the Audit Committee and the CFO of the Company also attends the Audit Committee meetings as and when required to respond to the queries raised at the Committee Meetings.

b. Remuneration Committee

The Remuneration Committee of the Directors was re-constituted on 5th May, 2012 and the re-constituted committee comprises of the following three Independent Directors. Shri Gaurav Goel was inducted as a Member of the Committee w.e.f 5th May, 2012.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri O.P.Gupta*	Chairman	0 out of 1
2.	Shri K.K.Mudgil	Member	1 out of 1
3.	Shri N.G. Khaitan	Member	1 out of 1
4.	Shri Gaurav Goel**	Member	0 out of 0

* Shri O. P. Gupta resigned as Director w.e.f 31st March, 2013.
** Shri Gaurav Goel joined the committee w.e.f 5th May, 2012.

During the year ended 31st March, 2013, one meeting of the Remuneration Committee was held on 5th May, 2012.

c. Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee of the Directors was re-constituted on 5th May, 2012. The Committee consists of two Independent Directors and one Non-Executive Director. Shri Gaurav Goel was inducted as a Member of the Committee w.e.f 5th May, 2012. Details of the attendance at the meetings held are as follows:

S.No.	Name of the Director	Position	Meetings attended
1.	Shri K.K.Mudgil	Chairman	2 out of 2
2.	Shri O.P.Gupta*	Member	0 out of 2
3.	Shri K.C.Jain	Member	2 out of 2
4.	Shri Gaurav Goel**	Member	1 out of 2

* Shri O. P. Gupta resigned as Director w.e.f 31st March, 2013.
** Shri Gaurav Goel joined the committee w.e.f 5th May, 2012.

Shareholders'/Investors' Grievance Committee meetings were held on 5th August, 2012 and 11th February, 2013.
The position as on 31st March, 2013 of the shareholders' complaints received and redressed during the financial year:

Nature of Complaint	Complaints received from				Total complaints Received During 2012-13	Total redressed	No. of grievances outstanding as on 31.3.2013
	Investors Directly	Stock Exchanges	SEBI	ROC			
Non-receipt of Dividend warrant(s)	6	Nil	Nil	Nil	6	6	Nil
Non-receipt of Share Certificate(s) /after transfer/demat	5	Nil	Nil	Nil	5	5	Nil
Non-receipt of Duplicate Share certificate(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Report(s)	3	Nil	Nil	Nil	3	3	Nil
Total	**14**	**Nil**	**Nil**	**Nil**	**14**	**14**	**Nil**

d. Share Transfer Committee

Share Transfer Committee is in force since 10th November 1986. It was reconstituted on 5th May, 2012 comprising of Shri K.C.Jain, Shri K.K.Mudgil and Smt. Aruna Makhan, Directors of the Company. Smt. Aruna Makhan was inducted as a Member of the Committee w.e.f 5th May, 2012. Shri K.K.Mudgil is the Chairman of the Committee. The Committee has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate certificates, split and/or consolidation requests. In addition, the Company Secretary and certain officials of the Company have been given the powers to endorse registration of share transfers and transmission of share certificates. Share Transfer Committee meets at frequent intervals as and when required. Shri O. P. Gupta resigned as Director w.e.f. 31st March, 2013.

The Company Secretary of the Company is Secretary to the Audit committee, Remuneration Committee, Shareholders' / Investors' Grievance Committee and Share Transfer committee.

e. Committee for Investments

The Committee was constituted on 18th October, 2008 to take decisions on investment of surplus funds of the Company. It was re-constituted on 27th October, 2009. The details of composition and attendance of the meetings held are as under:

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N.G.Khaitan	Chairman	8 out of 8
2.	Shri A.V.Jalan	Member	8 out of 8
3.	Smt. Vidula Jalan	Member	8 out of 8

The Committee meetings were held on 09.05.2012, 23.05.2012, 31.05.2012, 10.09.2012, 21.09.2012, 26.09.2012, 05.01.2013 and 08.03.2013.

IV Shares and Convertible Instruments held by Directors

Details of Shareholding of Directors as on 31st March, 2013 in the Company are as under:

S.No.	Director	No. of Equity Shares
1.	Shri N.G. Khaitan in HUF	440
2.	Shri K.K. Mudgil	1000
3.	Shri A.V.Jalan	10000
4.	Smt. Vidula Jalan	26000
5.	Shri K.C.Jain	6840
6.	Smt. Aruna Makhan	Nil
7.	Shri Gaurav Goel	Nil
8.	Shri Amal Ganguli	Nil

Company has no convertible instrument pending as on 31st March, 2013.

V. Subsidiary Company

The Company does not have any subsidiary company.

VI. CEO/CFO Certification

The CEO and CFO certification of the financial statements and the cash flow statements for the year is enclosed at the end of the report.

VII. Annual General Meeting

a) The Company convenes Annual General Meeting generally within 5 months of the close of the Corporate Financial Year. Details of the AGMs held during the past 3 years are as under:

AGM No	Financial Year	Day, Date and time	Venue
34th	2009-10	Friday, 30.07.2010 at 11.30 AM	At Regd. Office, Adityanagar 326520, Morak, Dist. Kota, Rajasthan
35th	2010-11	Saturday, 06.08.2011 at 11.30 AM	-do-
36th	2011-12	Monday, 06.08.2012 at 11.30 AM	-do-

b) All the resolutions, including Special Resolutions set out in the respective Notices were passed by shareholders in their General Meetings.

c) Postal Ballot Resolutions:
No resolution was passed through Postal Ballot during the year.

Presently there is no proposal for passing any Resolution through Postal Ballot in the ensuing AGM.

VIII. Disclosures

(i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.

(ii) All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

(iii) A well defined Risk Management Policy covering assessment, management, monitoring and review, has been approved by the Board.

(iv) No money was raised by the Company through public issue, rights issue, preferential issues etc in the last financial year and hence, provisions contained in this behalf in Clause 49 of the Listing Agreement are not applicable for Compliance by the Company.

(v) (a) All pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company have been disclosed in item II(c) of this Report.

(b) The Company has two Executive Directors on the Board whose appointment and remuneration has been fixed by the Board in terms of resolution passed by the members. The remuneration paid/payable to them is mentioned in item II(c) of this report.

(c) The number of shares held by each Director is mentioned in item IV of this report.

(vi) (a) Management Discussion and Analysis forms part of the Annual Report to the Shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the Listing Agreement with Stock Exchanges.

(b) There were no material financial and commercial transacitions by Senior Management as defined in Clause 49 of the listing agreement where they have personal interests that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

(vii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

IX. Code of Conduct for Prohibition of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. The Code is applicable to all the Directors/Officers and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished information.

X. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These financial results are normally published in one Financial Newspaper and one local news paper.

XI. Management Discussion and Analysis Report

The Management Discussion and analysis Report is attached and forms part of the Directors' Report.

XII. Appointment/Re-appointment of Directors

The resume and other details of the Directors seeking appointment/re-appointment as required to be disclosed under clause 49 (iv)(a)(i) of the Listing Agreement is provided in the AGM Notice attached with this Annual Report.

XIII. General Shareholders' Information

(a) Registered Office and Plant Location

Adityanagar 326520, Morak Dist.Kota (Rajasthan)
Tel. No. 07459-232262/ 232227/ 232236
Website: www.mangalamcement.com
E.mail: mclmorak@kappa.net.in
Telefax: 07459-232036

(b) Head Office

Birla Building,
9/1, R.N.Mukherjee Road,
Kolkata 700001

(c) Share Transfer Agents

MAS Services Ltd,
T-34, 2nd Floor,
Okhla Industrial Area, Phase II,
New Delhi 110020
Tel.No. 011-26387281 / 82 / 83.
Fax No.011-26387384
E.mail: mas_serv@yahoo.com
Website: www.masserve.com

(d) Annual General Meeting

Date, Time and Venue
Day and Date: Monday the 29th July, 2013.
Time: 11.30 A.M.
Venue : Club Hall, Basant Vihar,
Mangalam Cement Ltd,
Adityanagar 326520,
Morak, Dist. Kota (Rajasthan)

(e) Book Closure

From 22nd July, 2013 to 29th July, 2013, both the days inclusive.

(f) Dividend Payment Date

On approval by the Shareholders in the Annual General Meeting, the dividend will be paid to the shareholders in August, 2013 but within the statutory time limit.

(g) Listing of Securities

Equity shares of the Company are listed at the following Stock Exchanges:

S.No.	Name of the Stock Exchange	Stock Code
1.	BSE Ltd, Phiroze Jeejeebhoy towers, Dalal Street, Mumbai 400001	502157
2.	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051	MANGLMCEM

S.No.	Name of the Depositories (for de-mat only)	Scrip Code
1.	National Securities Depository Ltd.	INE 347A01017
2.	Central Depository Services (India) Ltd.	INE 347A01017

(h) Listing Fee

Company has paid the listing fee for the year 2013-14 to all the Stock Exchanges where the securities are listed.

(i) Custodial Fees to Depositories

Custodial fee for the year 2013-14 has been paid to National Securities Depository Ltd. and to Central Depository Services (India) Ltd.

(j) Market Price Data

The high/low market price of the Equity Shares during the year 2012-13 at the BSE Ltd, Mumbai and at National Stock Exchange of India Ltd, were as under:

Month	Quotation at BSE		Quotation at National Stock Exchange of India Ltd. (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2012	144.00	130.60	145.00	126.55
May, 2012	139.35	120.30	139.00	118.00
June, 2012	134.00	120.10	133.80	117.00
July, 2012	149.90	129.00	147.95	125.70
August, 2012	149.90	126.10	155.00	125.00
September, 2012	159.05	125.45	159.75	122.25
October, 2012	173.50	151.00	178.50	152.80
November, 2012	192.65	161.05	192.80	160.50
December, 2012	190.00	170.00	190.00	163.45
January, 2013	190.00	151.70	190.00	150.05
February, 2013	160.00	135.65	172.80	136.30
March, 2013	164.00	128.20	148.00	128.25

(k) Distribution of shareholding

The shareholding distribution of equity shares as on 31st March, 2013 is given below.

S.No.	No. of Equity Shares	No. of shareholders	No. of shares	Percentage of Shareholding
1.	1 to 500	21129	2693822	10.092
2.	501 to 1000	1345	1074450	4.025
3.	1001 to 2000	555	857171	3.211
4.	2001 to 3000	173	444165	1.664
5.	3001 to 4000	94	338072	1.266
6.	4001 to 5000	67	317237	1.188
7.	5001 to 10,000	121	906810	3.397
8.	10001 and above	125	20062053	75.156
	Total	**24183**	**26693780**	**100%**

(l) Shareholding Pattern

S.No.	Category	No. of Equity shares	Percentage
1.	Promoters' holding	7316603	27.41
2.	Individuals/HUFs	8616043	32.28
3.	Body Corporate/Trusts/Partnerships	9337018	34.98
4.	Mutual Funds, Banks, Financial and Govt Institutions/ Insurance Companies	936496	3.50
5.	FIIs, NRIs, OCBs	487620	1.83
	Total	**26693780**	**100%**

(m) Dematerialisation of Shares

As on 31st March, 2013, 97.97% of the Company's total equity shares representing 2,61,50,725 shares were held in dematerialised form and balance 2.03% representing 5,43,055 shares were held in physical form.

(n) Reconciliation of Share Capital Audit

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

(o) Convertible Instruments

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

(p) Share Transfer System

Share transfer work of physical segment is attended to by the Company's Registrar & Share Transfer Agents within the prescribed period under the law and the Listing Agreement with the Stock Exchanges. All share transfers etc. are approved by Committee of Directors which meets periodically.

In the case of Shares held in Electronic Form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

(q) Financial Calendar 2013-2014

(i)	Financial Year	1st April, 2013 to 31st March, 2014
(ii)	First Quarterly Results for Quarter ending 30th June, 2013	By end of July, 2013
(iii)	Second Quarterly Results for the quarter ending 30th Sept, 2013	By end of October, 2013
(iv)	Third Quarterly Results for the Quarter ending 31st December, 2013	By end of January, 2014
(v)	Annual Results for the Year ending 31st March, 2014	By end of April, 2014
(vi)	Annual General Meeting for the year ending on 31st March, 2014	By August, 2014
(vii)	Date of dividend payment	Within the statutory time limit after approval by the Members in the AGM

(r) Compliance Officer

Shri Swadesh Agrawal, Company Secretary of the Company is the Compliance Officer.

(s) Cost Audit Report for the FY 2011-12.

(i) Name of the Cost Auditor : M/s. J. K . Kabra & Co., Delhi.

(ii) Due date of filling : 28th February, 2013.

(iii) Date of submission : 25th February, 2013.

B. STATUS OF COMPLIANCE OF NON-MANDATORY REQUIREMENTS

(i) The Board:

(a) An office for the use of the Chairman is made available whenever required.

(b) At present there is no policy for fixing the tenure of independent Directors.

(ii) Remuneration Committee

The Company has the Remuneration Committee comprising of Shri K.K.Mudgil, Shri N.G.Khaitan and Shri Gaurav Goel as members, as stated in item No. III(b) above.

(iii) Shareholders' Rights

Half yearly financial results including summary of the significant events in the last six months are presently not being sent to shareholders of the Company.

(iv) Audit Qualifications

There are no qualifications in the Auditors' Report on the financial statements to the Shareholders of the Company.

(v) Training of Board Members

There is no formal policy at present for training of the Board Members of the Company as the members of the Board are eminent and experienced professional persons.

(vi) Mechanism for evaluating non-executive Board Members.

There is no formal mechanism existing at present for performance evaluation of non-executive directors.

(vii) Whistle Blower Policy

The Company does not have any formal Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

Yours faithfully,

K.C. Jain, Director

Aruna Makhan, Director

K. K. Mudgil, Director

Amal Ganguli, Director

N.G. Khaitan, Director

Gaurav Goel, Director

Vidula Jalan, Executive Director

A.V. Jalan, Executive Director

New Delhi
2nd May, 2013

CEO AND CFO CERTIFICATION

To,
The Board of Directors,
Mangalam Cement Ltd.

We, to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and that of the best of our knowledge and belief;
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, pertaining to financial reporting, if any, of which we are aware and the steps we have taken, propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the audit committee;
   (i) significant changes in internal controls for financial reporting, during the year;
   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements, and;
   (iii) instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

New Delhi
2nd May, 2013

A. V. Jalan
Executive Director

Anil Kumar Mandot
Chief Financial Officer &
Joint President (Comml.)

CERTIFICATE FROM AUDITOR ON CORPORATE GOVERNANCE

To,

The Members of
Mangalam Cement Ltd.

We have examined the compliance of conditions of Corporate Governance by Mangalam Cement Ltd, for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

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

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

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

FOR JAIN PRAMOD JAIN & CO.
Chartered Accountants
(Firm Registration No. 016746N)

(P.K.JAIN)
Partner
Membership No.10479

New Delhi
2nd May, 2013

Independent Auditors' Report to the Members of Mangalam Cement Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Mangalam Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

(b) In the case of the Statement of Profit and Loss of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

   e. on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Jain Pramod Jain & Co.
Chartered Accountants
Firm's Registration Number: 016746 N

(P.K. Jain)
Partner
Membership No. 010479

Place: New Delhi
Date: 2nd May, 2013

Annexure to Independent Auditors' Report (Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;

(b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification;

(c) The Company has not disposed off any substantial part of its fixed assets;

ii. (a) As explained to us, the inventories of the Company at all its locations (except stocks lying with third parties and in transit) have been physically verified by the management at reasonable intervals;

(b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;

(c) On the basis of our examination, we are of the opinion that, the Company is maintaining proper records of inventory. The discrepancies which were noticed on physical verification of inventory as compared to book records were not material;

iii. (a) The company has not granted any loans, secured or unsecured to Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act except unsecured loan to Mangalam Timber Products Ltd. and maximum amount involved during the year was Rs. 30 crores and yearend balance is Nil.

(b) Rate of interest and other terms and conditions of the loan given by the company are not prima facie prejudicial to the interest of the Company.

(c) The parties have repaid the principal amount and have also been regular in the payment of interest to the company.

(d) No amount of such loan is overdue for recovery.

(e) The Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act, hence our comments on para iii(e) to iii(g) of the order are not applicable.

iv. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

v. (a) On the basis of the audit procedures performed by us, and according to the information and explanations and representations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section;

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at that relevant time;

vi. In our opinion and according to the information and explanations given to us, the Company has not taken any deposit from public as referred in Section 58A and 58AA of the Companies Act 1956 and the rules framed thereunder;

vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

viii. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;

ix. (a) According to the information and explanations and records of the Company, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service Tax, Custom Duty, Excise Duty, Cess and other material Statutory Dues with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date it became payable as on 31st March, 2013;

(b) According the records and information and explanations given to us, there are no dues in respect of custom duty and wealth tax that have not been deposited on account of any dispute. In our opinion and according to the information and explanations given to us, the dues in respect of sales tax, service tax, cess, excise duty and income tax that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below:

Name of Statute	Nature of Dues	Amount (Rs. in lacs)	Period to which the amount related	Forum where matter is pending
Central Excise Act	Cenvat	1.40	Various matters, from 1995 to 1997	Rajasthan High Court
		239.00	Various matters, from 1997 to 2009	CESTAT. New Delhi
		36.27	Various matters, from 2006 to 2011	Commissioner (Appeals)
		6.94	Various matters, from 2009 to 2011	Asst. Commissioner
	Excise Duty	7.20	Various matters, from 1997 to 2001	Rajasthan High Court
		216.16	Various matters, from 1999 to 2009	CESTAT. New Delhi
		55.62	Various matters, from 2010 to 2012	Chief Commissioner
		21.74	October 2011 to March 2012	Addl. Commissioner
		6.42	Various matters, from 2008 to 2010	Asst. Commissioner
Income Tax Act	Income Tax	1.14	A.Y. 1992-93	High Court, Jaipur (appeal filed by Department)
		1.03	A.Y. 2008-2009	Assessing authority
		757.24	Various matters, from 2008 to 2011	CIT (Appeals)
Sales Tax (M.P.)	Disallowance of credit notes	2.68	Various matters, from 2001 to 2003	Tax Board, M.P.
Central Sales Tax Act	Central Sales Tax	733.34	2005-2006	Asst. Commissioner
Service Tax	Service Tax	48.79	November 1997 to June 1998	Rajasthan High Court
		403.94	Various matters, from 2005 to 2012	CESTAT. New Delhi
		53.67	October 2011 to March 2012	Commissioner
		208.66	Various matters, from 2007 to 2011	Commissioner (Appeals)
		7.50	April 2012 to December 2012	Addl. Commissioner
		1.07	July 2011 to June 2012	Asst. Commissioner
Entry Tax (U.P.)	Entry Tax	157.83	Various matters, from 2007 to 2010	Supreme Court
Land Tax (Rajasthan)	Land tax	1495.41	Various matters, from 2006 to 2013	Supreme Court (appeal filed by Federation of mining association of Rajasthan)
Government of Rajasthan	Environment and Health Cess	340.90	2008 to 2013	Rajasthan High Court
Government of Rajasthan	Entry Tax	379.02	2010 to 2013	Rajasthan High Court

x. There was no accumulated loss at the end of year. The Company has not incurred cash losses during current financial year and immediately preceding financial year;

xi. The Company has not defaulted in repayment of dues to financial institution or bank or debenture holders;

xii. According to information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and any other securities;

xiii. The Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Order is not applicable to the Company;

xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company;

xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions;

xvi. In our opinion, the term loans have been applied for the purpose for which they were raised;

xvii. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment;

xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act;

xix. On the basis of the records made available to us, the Company has not issued any debentures during the period;

xx. The Company has not raised any money by public issue, during the year;

xxi. Based upon the audit procedure performed and the information and explanations given to us, we report that no fraud on or by the Company, has been noticed or reported during the course of our audit.

For Jain Pramod Jain & Co.
Chartered Accountants
Firm's Registration Number: 016746 N

(P.K. Jain)
Partner
Membership No. 010479

Place: New Delhi
Date: 2nd May, 2013

Balance Sheet as at 31st March , 2013

(Rs. in lacs)

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	2669.38	2669.38
(b) Reserves and surplus	2	46562.80	40559.73
(2) Non-current liabilities			
(a) Long-term borrowings	3	21100.42	-
(b) Deferred tax liabilities (Net)	4	5835.07	6181.03
(c) Other Long term liabilities	5	7757.88	4257.82
(d) Long-term provisions	6	482.80	406.23
(3) Current liabilities			
(a) Trade payables	7	5662.29	4411.79
(b) Other current liabilities	8	4689.53	2728.04
(c) Short-term provisions	9	2108.40	2087.72
Total		**96868.57**	**63301.74**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		33606.30	34084.76
(ii) Intangible assets		1309.19	1163.91
(iii) Capital work-in-progress		21409.49	1893.57
(b) Non-current investments	11	3557.02	110.02
(c) Long-term loans and advances	12	2284.28	2166.94
(d) Other non-current assets	13	2133.66	9.19
(2) Current assets			
(a) Inventories	14	13660.46	5822.75
(b) Trade receivables	15	3015.46	2866.80
(c) Cash and Bank balances	16	9232.90	4364.73
(d) Short-term loans and advances	17	5974.59	10509.43
(e) Other current assets	18	685.22	309.64
Total		**96868.57**	**63301.74**
Accounting Policies and Notes to Accounts	26		

The Notes 1 to 18 and Note 26 referred to above form an integral part of the Balance Sheet

As per our Report of even date
FOR JAIN PRAMOD JAIN & CO.
Chartered Accountants
FRN 016746 N

(P.K.JAIN)
Partner
M.No.10479

New Delhi
2nd May, 2013

Anil Kumar Mandot
CFO & Jt. President (Commercial)

Swadesh Agrawal
Company Secretary

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

Statement of Profit and Loss for the year ended 31st March, 2013

(Rs. in lacs)

Particulars		Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I.	Revenue from operations	19	70604.11	63076.54
II.	Other income	20	709.77	663.14
III.	**Total Revenue (I + II)**		**71313.88**	**63739.68**
IV.	Expenses:			
	Cost of materials consumed	21	11250.27	8538.86
	Changes in inventories of finished goods and material in process	22	(3624.69)	1910.39
	Employee benefits expense	23	3812.43	3229.00
	Finance costs	24	483.58	310.83
	Depreciation and amortisation expense		2517.06	3213.40
	Less: Recouped From Revaluation Reserve		(8.91)	(8.91)
	Other expenses	25	46103.20	39052.30
	Total expenses		**60532.94**	**56245.87**
V.	Profit before exceptional and extraordinary items and tax (III-IV)		**10780.94**	**7493.81**
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		10780.94	7493.81
VIII.	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		**10780.94**	**7493.81**
X	Tax expense:			
	Current tax		3220.00	1598.60
	Income Tax Expenditure For Earlier Year (Net)		21.08	-
	Deferred tax		(197.00)	296.42
XI	Profit for the year (IX-X)		**7736.86**	**5598.79**
XII	Earnings per equity share:			
	Basic		28.98	20.97
	Diluted		28.98	20.97
Accounting Policies and Notes to Accounts		26		

The Notes 19 to 25 and Note 26 referred to above form an integral part of the Statement of Profit & Loss.

As per our Report of even date
FOR JAIN PRAMOD JAIN & CO.
Chartered Accountants
FRN 016746 N

(P.K.JAIN)
Partner
M.No.10479

New Delhi
2nd May, 2013

Anil Kumar Mandot
CFO & Jt. President (Commercial)

Swadesh Agrawal
Company Secretary

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

Notes forming part of the Financial Statements

(Rs. in lacs)

		31st March, 2013	31st March, 2012
NOTE NO. 1			
Share Capital			
Authorised			
200000	Redeemable cumulative Preference shares of Rs. 100 each	200.00	200.00
40000000	Equity shares of Rs. 10 each	4000.00	4000.00
18000000	Optionally Convertible Cumulative Redeemable Preference Share (OCCPS) of Rs. 10/- each	1800.00	1800.00
		6000.00	**6000.00**
Issued, Subscribed and Paid up			
26693780	Equity Shares of Rs. 10/- each (Previous Year 26693780 shares)	2669.38	2669.38
		2669.38	**2669.38**

Note :-

(In lacs)

		31st March, 2013	31st March, 2012
1	**Reconciliation of the number of Equity Shares Outstanding**		
	Number of Equity Shares Outstanding at the beginning of the year	266.94	266.94
	Number of Equity Shares Outstanding at the end of the year	266.94	266.94

2 **Shares held by each shareholder holding more than 5 percent shares**

(In lacs)

Name of shareholders	31st March, 2013		31st March, 2012	
	No. of Shares	%	No. of Shares	%
Kesoram Industries Ltd.	38.20	14.31	38.20	14.31
Century Textiles & Industries Ltd.	22.21	8.32	22.21	8.32

3 **Details of the aggregate number and class of shares bought back in the five years immediately preceding 31st March, 2013**

(In lacs)

Year	Class of share	No. of Shares
2008-2009	Equity	2.14
2009-2010	Equity	13.39

4 **Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of one equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(Rs. in lacs)

	31st March, 2012	Additions	Transfer/ Allocation/ Appropriation	31st March, 2013
NOTE NO. 2				
Reserves & Surplus				
Capital Reserves	20.22	-	-	20.22
Capital Redemption Reserve	155.30	-	-	155.30
Preference Share Capital Redemption Reserve	20.00	-	-	20.00
Securities Premium Account	397.68	148.96 a	-	546.64
Revaluation Reserve	498.35	-	8.92 b	489.43
General Reserve	5213.15	800.00	-	6013.15
Surplus	34255.03	7736.86	2673.83 c	39318.06
	40559.73	**8685.82**	**2682.75**	**46562.80**
Previous year	**36802.91**	**6227.18**	**2470.36**	**40559.73**

Notes forming part of the Financial Statements

Note:

a. Represents reversal of Deferred Tax Liabilities for the year ended 31st March, 2013 (Previous year Rs. 28.39 lacs)

b. Depreciation on revalued fixed assets recouped from Revaluation Reserve transferred to Statement of Profit & Loss. (Previous year Rs. 8.91 lacs)

c. Transfer / Allocation / Appropriation

(Rs. in lacs)

	2012 - 2013	2011 - 2012
General Reserve	800.00	600.00
Proposed Dividend on Equity Shares	1601.63	1601.63
Corporate Dividend Tax	272.20	259.82
	2673.83	**2461.45**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 3		
Long-Term Borrowings		
Secured:-		
From banks		
Indian Rupee Loan From HDFC Bank Ltd.	7500.00	-
Foreign Currency loan from DBS Bank Ltd.	13600.42	-
	21100.42	**-**

Note :-

(1) Rupee loan from HDFC Bank

Secured by:	A first charge on all fixed assets
	A second charge on current assets (present & future)
Repayment Terms:	20 equal quarterly Instalments
Rate of interest:	11% per annum

(2) Foreign Currency Loan from DBS Bank Ltd.

Secured by:	First paripasu charge on all movable fixed assets
	Second paripasu charge over current assets (Present and future)
Repayment Terms:	18 equal quaterly instalments
Rate of interest:	LIBOR Plus 2.6% per annum

(Rs. in lacs)

		31st March, 2013	31st March, 2012
NOTE NO. 4			
Deferred Tax Liabilities (Net)			
(a)	Deferred Tax liability being tax impact on -		
	(i) Difference between written down value of block of assets as per Income Tax laws and book written down value of the fixed assets	6564.42	6642.62
	(ii) Others	255.23	325.99
	Total (a)	**6819.65**	**6968.61**
(b)	Deferred Tax Assets being tax impact on expenses charged in the books but allowance thereof deferred under income tax laws	984.58	787.58
	Total (b)	**984.58**	**787.58**
(c)	Net Deferred Tax Liabilities (a) – (b)	**5835.07**	**6181.03**

Pursuant to the order dated 30th November, 2007 of the Hon'ble Rajasthan High Court, reversal of the deferred tax liability for the year, Rs.148.96 lacs (previous year Rs. 28.39 lacs) has been credited to Securities Premium Account.

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 5		
Other Long Term Liabilities		
Unsecured:-		
(a) Trade Payables	2011.49	1631.78
(b) Others		
Deposits (from stockist and others)	3205.23	2401.72
Liability for option premium	2127.49	-
Statutory liabilities	379.02	187.10
Retention money	34.65	37.22
	7757.88	**4257.82**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 6		
Long-Term Provisions		
Provision for Employee Benefits	482.80	406.23
	482.80	**406.23**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 7		
Trade Payables		
Micro and Small Enterprises	15.18	18.91
Others	5647.11	4392.88
	5662.29	**4411.79**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 8		
Other Current Liabilities		
Interest accrued but not due on Loans	37.97	-
Advances from Customers	1057.96	1028.02
Unpaid Dividends	71.61	59.61
Security Deposit and Retention Money	1359.68	551.68
Liability for Option Premium	581.25	-
Liabilities for Capital Goods	677.00	49.03
Other Statutory Liabilities	904.06	1039.70
	4689.53	**2728.04**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 9		
Short-Term Provisions		
Employee Benefits	224.09	215.07
Others:		
Wealth Tax	10.48	11.20
Proposed Equity Dividend	1601.63	1601.63
Corporate Dividend Tax	272.20	259.82
	2108.40	**2087.72**

(Rs. in lacs)

NOTE NO. 10	COST/BOOK VALUE				DEPRECIATION				NET BLOCK	
	As at 31st March, 2012	Additions	Deduction/ Adjustment	As at 31st March, 2013	As at 31st March, 2012	For the Period	On sales/ Adjustment	Upto 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
Fixed Assets										
A. TANGIBLE ASSETS										
Land	1097.75	78.43	-	1176.18	-	-	-	-	1176.18	1097.75
Leasehold Land	2015.67	-	25.17	1990.50	1.28	-	-	1.28	1989.22	2014.39
Buildings	3341.56	445.82	-	3787.38	941.77	89.59	-	1031.36	2756.02	2399.79
Plant & Machinery	56112.58	1100.04	44.16	57168.46	28091.60	2110.79	26.47	30175.92	26992.54	28020.98
Furniture & fittings	176.96	23.35	4.74	195.57	102.56	9.26	2.95	108.87	86.70	74.40
Vehicles	297.02	215.82	79.05	433.79	56.21	29.32	28.50	57.03	376.76	240.81
Office Equipments	41.50	0.77	0.16	42.11	19.42	1.33	0.06	20.69	21.42	22.08
Railway siding	494.72	-	-	494.72	280.16	7.10	-	287.26	207.46	214.56
Total A	**63577.76**	**1864.23**	**153.28**	**65288.71**	**29493.00**	**2247.39**	**57.98**	**31682.41**	**33606.30**	**34084.76**
B. INTANGIBLE ASSETS										
Computer Software	165.48	22.92	-	188.40	66.82	27.57	-	94.39	94.01	98.66
Mining Right	2192.37	392.03	-	2584.40	1127.12	242.10	-	1369.22	1215.18	1065.25
Total B	**2357.85**	**414.95**	**-**	**2772.80**	**1193.94**	**269.67**	**-**	**1463.61**	**1309.19**	**1163.91**
G.Total(A+B)	**65935.61**	**2279.18**	**153.28**	**68061.51**	**30686.94**	**2517.06 ***	**57.98**	**33146.02**	**34915.49**	**35248.67**
Previous Year	62866.11	3485.05	415.55	65935.61	27757.91	3214.78 *	285.75	30686.94		
C. CAPITAL WORK IN PROGRESS									21409.49	1893.57
									56324.98	37142.24

* Rs.Nil- included in preoperative expenses during the year (Previous year Rs.1.39 lacs)

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 11		
Non-Current Investments		
Non Trade:		
Quoted		
Investments in Equity Instruments		
6,50,000 Fully paid up Equity shares of Rs. 10/- each		
of Mangalam Timber Products Ltd. (Related party)	110.02	110.02
Unquoted		
Investments in Preference Shares		
34,47,000- 7.5% Non-Cumulative Redeemable Preference Shares of		
Rs. 100/-each of Mangalam Timber Products Ltd. (Related party)	3447.00	-
	3557.02	**110.02**
Aggregate amount of Quoted Investments	110.02	110.02
Aggregate Market Value of Quoted Investments	84.83	135.20
Aggregate amount of unquoted Investments	3447.00	-

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 12		
Long Term Loans & Advances		
Unsecured, considered good:		
Capital Advances	1622.22	1294.34
Prepaid Expenses	5.84	8.71
Advance against supply of goods or services	13.83	9.26
Deposits with Governement Department and Others	642.39	854.63
	2284.28	**2166.94**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 13		
Other Non Current Assets		
Unamortised premium on forward contracts	2127.49	-
Interest accrued on Fixed Deposits with bank	0.76	1.15
Balances with Bank on Margin Money Accounts	5.41	8.04
	2133.66	**9.19**

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 14		
Inventories		
(As taken, valued and certified by the Management)		
At Cost or Net Realisable Value, whichever is lower		
Raw Materials	1158.31	599.58
Material in process	4157.00	1106.12
Finished Goods (Including Goods in Transit Rs. 779.79 lacs Prev.Year Rs. 247.81 lacs)	1167.92	563.01
Stores and Spare (Including Goods in Transit Rs. 1513.81 lacs Prev.Year Rs. 28.00 lacs)	7089.54	3435.25
Scrap & Waste (at net realisable value)	87.69	118.79
	13660.46	**5822.75**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 15		
Trade Receivables		
More than six months from the date they are due for payment		
Unsecured, Considered good	-	45.00
Other debts		
Secured, Considered good	828.29	491.17
Unsecured, Considered good	2187.17	2330.63
	3015.46	**2866.80**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 16		
Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks -		
On Short Term Deposit	8000.00	2310.00
On Current Accounts	554.61	865.86
Cheques, drafts in hand	325.32	512.50
Cash on hand	6.24	4.99
Stamps/ Postages in Hand	0.01	0.01
Other Bank Balances:		
Balances with Banks -		
On Margin Money Accounts	275.11	611.76
On Unpaid Dividend Account	71.61	59.61
	9232.90	**4364.73**

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 17		
Short-Term Loans and Advances		
Unsecured, Considered Good		
Loans and Advances to Related Parties:		
Intercorporate Deposit to Mangalam Timber Products Limited	-	3000.00
Advances recoverable in cash or in kind or for value to be received	3462.19	3316.55
Inter Corporate Deposits	1320.00	2170.00
Advance Income Tax (net of provision for taxation Rs. 5717.84 lacs Previous year Rs. 9143.23 lacs)	383.53	1209.76
MAT Credit Entitlement	805.00	805.00
Deposits with Governement Department and Others	3.87	8.12
	5974.59	**10509.43**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 18		
Other Current Assets		
Unamortised premium on forward contracts	533.01	-
Interest Accrued on Fixed Deposits & Others	152.21	39.85
Interest Accrued on ICD to related party	-	269.79
	685.22	**309.64**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 19		
Revenue from Operations		
Sale of products		
Cement	79223.48	67587.03
Clinker	2040.23	4488.47
Other operating revenues	734.64	862.56
	81998.35	72938.06
Less:- Excise duty	11394.24	9861.52
	70604.11	**63076.54**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 20		
Other Income		
Interest Income on Fixed Deposits and Others (TDS Rs. 70.90 lacs Previous Year Rs. 69.15 lacs)	708.89	663.07
Foreign Exchange Fluctuation (net)	0.88	0.07
	709.77	**663.14**

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 21		
Cost of Materials Consumed		
Limestone	6840.67	5672.17
Gypsum	1891.12	1190.35
Blue Dust	-	101.33
Fly Ash	986.33	729.98
Red Ochre	1516.67	780.48
Others	15.48	64.55
	11250.27	**8538.86**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 22		
Changes in Inventories of Finished Goods Work-in-Progress		
Opening Stock		
Material-in-Process		
Raw meal	37.94	78.33
Clinker	741.38	2224.94
Crushed lime stone	326.80	287.72
Finished Goods-Cement	563.01	1056.32
Scrap & waste	118.79	59.00
	1787.92	3706.31
Add: Clinker purchases	-	12.53
Add: Transferred from CPP- II Shop Floor Stock	-	5.63
Less: Closing Stock		
Material-in-Process		
Raw meal	84.18	37.94
Clinker	3805.87	741.38
Crushed lime stone	266.95	326.80
Finished Goods-Cement	1167.92	563.01
Scrap & waste	87.69	118.79
	5412.61	1787.92
Increase/(decrease) in Excise Duty on Finished Goods Stock At Works	-	26.16
	(3624.69)	**1910.39**

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 23		
Employee Benefits Expense		
Salaries, Wages, Bonus and Allowances	3116.59	2717.95
Contribution to Provident, Gratuity and other funds	528.95	394.88
Workmen and staff welfare	166.89	116.17
	3812.43	**3229.00**

Notes forming part of the Financial Statements

(Rs. in lacs)

	31st March, 2013	31st March, 2012
NOTE NO. 24		
Finance Costs		
Interest Expenses	376.23	208.61
Interest paid to Income Tax Department	30.45	0.03
Other borrowing costs	76.90	102.19
	483.58	**310.83**

(Rs. in lacs)

		31st March, 2013	31st March, 2012
NOTE NO. 25			
Other Expenses			
Stores and Spares consumed		2418.18	2238.28
Power and Fuel		20067.17	16465.88
Rent		176.58	175.22
Repairs and Maintenance			
Plant and Machinery	676.29		993.96
Buildings	233.38		111.64
Others	48.89		90.36
		958.56	1195.96
Insurance		91.80	118.70
Rates and Taxes		216.45	99.70
Research & Development Expenses		284.27	191.76
Packing, Forwarding and Distribution Expenses		17944.73	15396.48
Commission & Brokerage to Selling Agents		2418.29	1663.03
Wealth Tax		9.40	10.03
Prior period adjustments (net)		120.11	3.51
Miscellaneous Expenses		1124.85	1281.01
Directors Commission		235.83	130.50
Directors fees		13.59	10.20
Payments to Auditors:			
(a) Statutory Auditors			
Audit fees		7.15	6.50
Tax Audit Fees		1.47	1.34
Other services		1.88	1.37
Reimbursement of Expenses		0.22	0.32
(b) Cost Auditors			
Audit fees		0.77	0.64
Loss on sale of Fixed Assets (net)		11.90	61.87
		46103.20	**39052.30**

Notes forming part of the Financial Statements

NOTE 26

Accounting Policies and Notes on Accounts for the year ended 31st March, 2013.

A. Significant Accounting Policies

1. Accounting Concepts

The financial statements have been prepared in compliance in all material respects with the accounting standards notified by the Companies Accounting Standard Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. These accounts are prepared on the historical cost basis and applying the principles of accounting for a going concern. The accounting policies are consistent with those used in the previous year.

2. Recognition of income and expenditure

Expenses and income are accounted for on an accrual basis.

3. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost for the purpose of valuation of Raw Materials and Stores and Spare Parts has been computed on the weighted average method. Cost for the purpose of valuation of Finished Goods and Material-in-Process has been computed on the basis of cost of material, labour and other costs incurred in bringing the inventories to their present location and condition. Scrap and Waste have been valued at net realisable value.

4. Investments

Long Term Investments are stated at cost. Provision is made for diminution, other than temporary in the value of such investments. Current Investments are stated at cost or fair value, whichever is lower, computed category wise.

5. Fixed Assets

(a) Fixed assets are stated at their original cost of acquisition/installation net of accumulated depreciation, amortisation and impairment losses, except freehold land which is carried at cost. Leasehold land is amortised over the lease period.

(b) Capital work in progress is stated at cost (including borrowing cost where applicable and adjustment for exchange differences) incurred during the construction/ installation/ preoperative period relating to items or projects in progress.

(c) Expenditure during construction period is included under capital work in progress and allocated to the respective fixed assets.

6. Impairment of assets

The Management periodically assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of the cash flow expected to arise from the continuing use of the asset and its eventual disposal. A provision for impairment loss is made when the recoverable amount of the asset is lower than the carrying amount.

7. Depreciation

I. Tangible Assets

Depreciation is provided on the straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. The useful lives of continuous process plants as defined therein have been assessed technically and depreciation is provided accordingly. Depreciation on the increase in the value of fixed assets due to revaluation is computed on the basis of remaining useful life as estimated by the valuer on the straight line method. Depreciation of Fixed Assets on land which ownership belongs to KSTPS, Kota is amortised over the period of agreement for extraction of fly ash between the Company and.

II. Intangible Assets

(a) Mining rights are amortised over the period of the leases.

(b) Computer software is amortised over a period of 5 years.

8. Employee Benefits

(i) Defined contribution plan : Employee benefits in the form of superannuation fund and the state governed provident fund are defined contribution plan. The contribution under the scheme is recognised during the period in which the employee renders the related services.

(ii) Defined Benefit Plan: The employee's gratuity fund and leave encashment schemes are the

Notes forming part of the Financial Statements

Company's defined benefit plans. The present value of the obligations under such defined benefit plans is determined based on actuarial valuations using the Projected Unit Credit Method.

9. Foreign Currency Transactions

All transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currency outstanding at the close of the year are converted to Indian currency at exchange rates prevailing at the year end. The resulting gain or loss (other than for capital assets) is recognised in the statement of Profit and Loss. The gain or loss relating to long term monetary items for financing acquisition of capital asset is adjusted to the acquisition cost of such assets and depreciated over their remaining useful lives.

Foreign exchange contracts used to hedge foreign currency transactions are initially recognised at exchange rates prevailing on the date of the contracts. Foreign currency contracts pertaining to acquisition of capital asset remaining unsettled at the end of the year are translated at the year end rate and differences between the rates of the contract and year end rates are added to or deducted from the cost of the assets and depreciated over the balances of the useful life of the assets and the premium arising at the inception of such forward contract is amortised over the life of the contract.

10. Government Grants

Government Grants are accounted for where there is reasonably certainty that the ultimate collection will be made. Government Grants of the nature of Project Subsidies are credited to Capital Reserve. Grants related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book values. Revenue Grants are credited to Statement of Profit & Loss or deducted from the related expenses.

11. Borrowing Costs

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

12. Research & Development Expenditure

Revenue Expenditure on Research and Development is charged as expenses under the head "Research and Development" in the year in which it is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and depreciated according to the policy followed by the Company.

13. Provisions and Contingent Liabilities/Assets

Provision in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of the obligations. Contingent liabilities, if material, are disclosed by way of notes to the accounts. Contingent assets are not recognised or disclosed in the financial statements.

14 Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognised as income and carried forward only to the extent that there is virtual certainty that the assets will be adjusted in future. Pursuant to the approval of the shareholders and the Hon'ble Rajasthan High Court's order dated 30th November, 2007 deferred tax liabilities from the year 2007-08 and onwards are met from Securities Premium Account as disclosed in note no. 4.

B. Notes On Accounts

1. Depreciation for the year includes Rs. 8.91 lacs (Previous year Rs. 8.91 lacs) being depreciation on the increased amount of assets due to revaluation and an equivalent amount has been transferred from the Revaluation Reserve to the Statement of Profit & Loss.

2. Contingent Liabilities and Commitments (to the extent not provided for)-

   i. Contingent Liabilities:

   (a) Claims against the Company not acknowledged as debts - Differential of royalty on limestone Rs. 159.83 lacs (previous year Rs. 159.83 lacs), Disputed Cenvat and other excise claims Rs. 1483.38 lacs (previous year Rs. 1330.56 lacs), Disallowance of credit notes & differential tax on raw material (Sales Tax) etc. Rs. 4.08 lacs (previous year Rs. 4.08 lacs), Claims by customers and others Rs. 51.81 lacs (previous year Rs. 54.21 lacs), Income Tax matters Rs. 1628.55 lacs (previous year

Notes forming part of the Financial Statements

Rs. 531.95 lacs), Differential of Central Sales Tax Rs. 733.34 lacs (previous year Rs. 686.28 lacs), Haryana VAT matters Rs. 0.68 lacs (previous year Rs. 0.68 lacs), UP sales tax Rs. 0.43 lacs (previous year Rs. 0.43 lacs), UP Entry tax Rs. 450 lacs (previous year Rs. Nil), Interest Demanded on Deferment of VAT (Raj.) Rs. 11.12 lacs (previous year Rs. Nil).

(b) The Jute Packaging (Compulsory use in Packing Commodities) Act 1987 was stayed by the Rajasthan High Court in 1997. However, the Jute Commissioner issued a show cause notice on 14th August, 2002 for non-use of Jute Packaging Material. This has been challenged by the Company and the amount involved is not quantifiable.

The Company has engaged competent professional advisors to defend its positions against all disputed claims/ notices and based on advice received no liabilities are expected to materialise.

ii. Commitments:

(Rs. in lacs)

Particulars	As at 31.03.2013	As at 31.03.2012
a. Estimated Capital Commitments (Net of Advances)	10714.54	16499.93
b. Other Commitments - Commitment for Social Welfare (outstanding contribution for "Over Bridge" Construction)	125.00	125.00

3. The Board of Directors has proposed a dividend of Rs. 6 per equity shares of Rs. 10 each for the year ended 31st March, 2013 and the total proposed dividend amounts to Rs. 1601.63 lacs and corporate dividend tax to be Rs. 272.20 lacs.

4. Revenue Expenditure on Research and Development amounted to Rs. 284.27 lacs (Previous year Rs. 191.76 lacs) is shown in statement of Profit & Loss. Capital Expenditure relating to Research and Development amounting to Rs. 40.06 lacs (Previous year Rs. 76.64 lacs) has been included in fixed assets.

5. It is not possible to ascertain the quantum of accrual with reasonable certainty in respect of insurance, other claims and performance guarantees, the same are continued to be accounted on settlement basis.

6. (a) Capital work-in-progress includes machinery under installation and building and other assets under erection.

(b) Additions to Fixed Assets/Capital work-in-progress include the following preoperative expenses:

(Rs. in lacs)

Particulars	31st March, 2013	31st March, 2012
Salaries & Wages, Bonus & other allowance	177.78	18.37
Contribution to provident fund & other funds	25.64	2.27
Interest & Financial Charges	994.11	-
Staff Welfare	0.23	3.03
Insurance Premium	68.76	14.03
Electricity charges	2.92	8.11
Rates & Taxes	3.26	3.75
Depreciation	-	21.50
Others Expenses	811.65	230.65
	2084.35	**301.71**
Add: Brought forward from the previous year (net of transfer to statement of Profit & Loss Rs. 118.35 lacs)	183.36	-
Less: Interest Received	68.80	-
Total	**2198.91**	**301.71**

Notes forming part of the Financial Statements

7. Details of dues to Micro and Small Enterprise as per MSMED Act, 2006 as per the information available with the Company:

(Rs. in lacs)

S.No.	Particulars	31st March, 2013	31st March, 2012
(a)	(i) Principal amount remaining unpaid at the end of the accounting year	15.18	18.91
	(ii) Interest due thereon	Nil	Nil
(b)	Interest paid by the buyer in terms of section 16 of MSMED Act,2006 along with the amount of the payment made to the suppliers beyond the appointed date	Nil	Nil
(c)	Interest due and payable for the period of delay in making the payments (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of the financial year	Nil	Nil
(e)	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid	Nil	Nil

8. (a) Hedging Commitments outstanding:

(In lacs)

31st March, 2013		31st March, 2012	
Currency	Amount hedged	Currency	Amount hedged
USD	250	-	Nil

(b) The year end Foreign currency exposure that have not be hedged are given below

(In lacs)

Particulars	31st March, 2013		31st March, 2012	
	Currency	Amount	Currency	Amount
Interest	USD	0.70	-	Nil
Professional Fees	USD	0.10	-	Nil
Professional Fees	GBP	0.01	-	Nil

9. Employee Defined Benefits:

(a) Defined Contribution Plans

The Company has recognised expenses towards the defined contribution plans as under:

(In lacs)

Particulars	31st March, 2013	31st March, 2012
Contribution to Superannuation Fund	175.28	125.39
Contribution to Provident Fund (Government)	264.53	230.17
Others	34.68	31.71
	474.49	**387.27**

Notes forming part of the Financial Statements

(b) Defined Benefit Plans as per actuarial valuation on 31st March, 2013 and recognised in the financial statements in respect of Employee Benefit Schemes:

(In lacs)

Particulars		Gratuity (Funded)		Leave Encashment (Unfunded)	
		31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
I	**Reconciliation of Defined Benefit Obligations (DBO) during the year ended 31st March, 2013**				
1	Present Value of DBO at the Beginning of Period	1213.93	1175.41	448.53	474.82
2	Current Service Cost	84.02	70.26	64.57	48.65
3	Interest Cost	97.11	94.04	35.88	37.99
4	Past Service Cost	-	-	-	-
5	Actuarial (Gains)/Losses	96.38	7.19	92.84	27.40
6	Benefits Paid	(98.45)	(132.97)	(103.82)	(140.33)
7	Present Value of DBO at the End of Period	1392.99	1213.93	538.00	448.53
II	**Reconciliation of Fair Value of Plan Assets during the year ended 31st March, 2013**				
1	Plan Assets at the Beginning of Period	1136.29	1110.05		
2	Expected Return on Plan Assets	106.81	103.24		
3	Actuarial Gains/(Losses)	1.81	(9.38)		
4	Company Contribution	77.64	65.36		
5	Benefits Paid	(98.45)	(132.98)		
6	Plan Assets at the End of Period	1224.10	1136.29		
III	**Reconciliation of fair value of assets and obligation as at 31st March, 2013**				
1	Present value of Defined Benefit Obligation	1392.99	1213.93	538.00	448.53
2	Fair value on Plan Assets	1224.10	1136.29	-	-
3	Status [Surplus/(Deficit)]	(168.89)	(77.64)	(538.00)	(448.53)
4	Net Asset/(Liability) recognised in Balance Sheet	(168.89)	(77.64)	(538.00)	(448.53)
IV	**Expenses recognised during the year**				
1	Current Service Cost	84.02	70.26	64.57	48.65
2	Past Service cost	-	-	-	-
3	Interest Cost	97.11	94.04	35.88	37.99
4	Expected Return on Plan Assets	(106.81)	(103.24)	-	-
5	Actuarial Losses/(Gains)	94.57	16.58	92.84	27.40
6	Total Expenses recognised in the Statement of Profit & Loss [includes Rs. 1.15 lacs (Previous year Rs. 0.12 lacs) for Gratuity and Rs. 13.38 lacs (Previous year Rs. 2.40 lacs) for Leave Encashment charged as preoperative expenses]	168.89	77.64	193.29	114.04

Notes forming part of the Financial Statements

(In lacs)

Particulars		Gratuity (Funded)		Leave Encashment (Unfunded)	
		31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
V	**Major Category of Plan Assets as a % of the Total Plan Assets as at 31st March, 2013**				
1	Government Securities/ Special Deposit with RBI (%)	0	0		
2	High Quality Corporate Bonds (%)	0	0		
3	Insurance Companies (%)	100	100		
4	Mutual Funds (%)	0	0		
5	Cash and Cash Equivalents (%)	0	0		
VI	**Actuarial Assumptions**				
1	Discount Rate (%)	8.00	8.00	8.00	8.00
2	Expected Return on Plan Assets (%)	9.40	9.30	-	-
3	Rate of escalation in salary (per annum) (%)	6.0	6.0	6.0	6.0
4	Mortality Table (LIC)	1994-96	1994-96	1994-96	1994-96

10. The Company is engaged only in the cement business and there are no separate reportable segments.

11. Related Party Information:

Particulars		31st March, 2013	31st March, 2012
I.	List of Related Parties		
(a)	Key Management Personnel	(1) Shri A.V. Jalan (2) Smt.Vidula Jalan	(1) Shri A.V. Jalan (2) Smt. Vidula Jalan (3) Shri K.C. Jain (Managing Director)
(b)	Enterprise in which Key Management personnel is able to exercise significant influence	(1) Pilani Investment & Industrial Corporation Ltd. (2) Vidula Consultancy Service Ltd. (3) Mangalam Timber Products Ltd.	(1) Kesoram Industries Ltd. (2) Kamal C Jain & Co. (3) Pilani Investment & Industrial Corporation Ltd. (4) Vidula Consultancy Service Ltd. (5) Mangalam Timber Products Ltd.

II. Transactions with related parties:

(Rs. in lacs)

Particulars	Related Parties	
	Referred in 1(a) above	Referred in 1(b) above
Sales: Goods and materials Kesoram Industries Limited	-	N.A. (9.51)
Expenses: Consultancy Vidula Consultancy Service Limited	-	2.79 (1.88)

Notes forming part of the Financial Statements

II. Transactions with related parties:

(Rs. in lacs)

Particulars	Related Parties	
	Referred in 1(a) above	Referred in 1(b) above
Remuneration	Refer note No.15 (a) of Notes to the Accounts	Refer note No.15 (a) of Notes to the Accounts
Income:		
Interest received		
Mangalam Timber Products Limited	-	197.26
		(299.76)
Investment:		
Mangalam Timber Products Limited	-	3447.00
		(Nil)
Loan Given		
Mangalam Timber Products Limited	-	Nil
		(3000)
Conversion of Loan into 7.5 % Preference Shares		
Mangalam Timber Products Limited	-	3000
		(Nil)
Dividend paid		
Kesoram Industries Limited	-	N.A.
		(228.57)
Pilani Investment & Industrial Corporation Ltd.	-	67.20
		(67.20)
Shri A.V. Jalan	0.30	-
	(Nil)	
Smt. Vidula Jalan	1.07	
	(0.77)	-
Shri KC Jain	N.A.	
	(0.41)	-
Outstanding:		
(a) For goods and material		
Kesoram Industries Limited	-	N.A.
		(0.16)
(b) Consultancy		
Vidula Consultancy Service Limited	-	0.76
		(Nil)
(c) Director Commission		
Shri A.V. Jalan	69.10	-
	(41.46)	
Smt. Vidula Jalan	69.10	-
	(41.46)	
(d) Medical expenses		
Shri A.V. Jalan	0.66	-
	(0.21)	
Smt. Vidula Jalan	0.06	-
	(1.14)	
(e) Interest		
Mangalam Timber Products Limited	-	Nil
		(269.78)

*Previous year figures are given in bracket

Notes forming part of the Financial Statements

12. Earning Per Share (EPS):

(Rs. in lacs)

Particulars	31st March, 2013	31st March, 2012
Net profit attributable to equity share holders	7736.86	5598.79
Weighted average of Equity Shares (Nos.)	26693780	26693780
Nominal value of Equity Shares	10	10
Basic/Diluted EPS (in Rs.)	28.98	20.97

13. (a) The expenses directly charged to Raw Material (Limestone) account during the year include:

(Rs. in lacs)

Particulars	31st March, 2013	31st March, 2012
Salaries, Wages, Bonus and Allowances	181.57	229.96
Contribution to provident and other fund	51.20	33.92
Workmen and staff welfare	2.66	2.67
Power and Fuel	409.40	289.67
Stores and Spare consumed	445.50	324.78
Insurance	3.11	2.75
Transportation of Raw Materials	1186.28	821.88
Repairs to Machinery	109.08	55.77
Repairs to Building	5.14	3.62
Royalty	1329.66	1114.98
Rates and Taxes	421.74	399.09
Other Expenses	25.56	21.43

(b) The expenses directly charged to Power & Fuel include:

(Rs. in lacs)

Particulars	31st March, 2013	31st March, 2012
Salaries, Wages, Bonus and Allowances	273.10	197.78
Contribution to Provident Fund	34.19	25.12
Electricity / Diesel	18.22	39.77
Stores & Spares consumed	145.37	130.91
D G Running	0.75	2.49
Insurance	11.04	8.70
Repairs to Plant & Machinery	239.17	155.27
Rates & Taxes	21.02	18.94
Misc. Expenses	18.03	19.99

14. (a) Remuneration to Executive Directors /Managing Director:

(Rs. in lacs)

Particulars	31st March, 2013	31st March, 2012
Salary	52.80	55.20
Contribution to Provident Fund	6.34	6.62
Superannuation Fund	7.92	8.20
Medical Expenses	1.80	1.81
Commission	200.00	120.00
Allowances	-	28.73

Note: the amounts related to gratuity cannot be ascertained separately since they are included in the contribution in this respect made to the insurance company on a group basis for all the employees together.

Notes forming part of the Financial Statements

(Rs. in lacs)

	Particulars	31st March, 2013	31st March, 2012
(b)	Commission to Non-Executive Directors	35.83*	10.50

*(Inclusive of service tax amounting to Rs. 4.33 lacs)

15. (a) All Raw Materials consumed are indigenous.

	Particulars	31st March, 2013 (Rs. in lacs)	Percentage	31st March, 2012 (Rs. in lacs)	Percentage
(b)	Stores and spare parts consumed:				
	Indigenous	3126.55	91	2417.96	90
	Imported	291.13	9	278.50	10
(c)	C.I.F. Value of imports in respect of:				
	i. Stores and spares	158.83		637.41	
	ii. Capital Goods	3854.92		0.51	
(d)	Expenditure in foreign currency:				
	i. Interest and Financial Charges (Included in Expenses During Construction)	37.96		-	
	ii. Professional Fees (Included in Expenses During Construction)	6.17		-	
	iii. Travelling Expenses	16.85		14.20	
	iv. Sales Promotion Exp.	4.53		14.10	
(e)	Earnings in foreign currency				
	i. FOB value of export	525.71		178.50	

16. Previous year's figures have been regrouped and rearranged wherever necessary.

As per our Report of even date
FOR JAIN PRAMOD JAIN & CO.
Chartered Accountants
FRN 016746 N

(P.K.JAIN)
Partner
M.No.10479

New Delhi
2nd May, 2013

Anil Kumar Mandot
CFO & Jt. President (Commercial)

Swadesh Agrawal
Company Secretary

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

Cash Flow Statement for the year ended 31st March, 2013

Rs. in lacs

		31st March, 2013	31st March, 2012
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	Net Profit before taxation and extraordinary items	10780.94	7493.81
	Adjustments for:		
	1. Depreciation / Amortisation	2508.15	3204.49
	2. Interest Expense	483.58	310.83
	3. Interest income	(708.89)	(663.07)
	4. Loss on sale of fixed Assets (Net)	11.90	61.87
	5. Wealth Tax	9.40	10.03
	6. Diminution in the value of investment	-	0.23
	7. Foreign exchange fluctuation	(0.88)	(0.07)
	Operating profit before working capital Changes	**13084.20**	**10418.12**
	Adjustments for:		
	1. Trade & Other receivables	3770.77	(3817.11)
	2. Inventories	(7837.71)	733.23
	3. Trade payables	4038.94	2807.60
	Cash generated from operations	13056.20	10141.84
	Direct taxes paid	(2424.98)	(1465.66)
	Net Cash from operating activites	**10631.22**	**8676.18**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed assets	(21653.94)	(4564.98)
	Sale of fixed assets	83.39	67.92
	Interest received	866.70	483.37
	Purchase of Non Current investments	(3447.00)	-
	Net cash used in investing activities	**(24150.85)**	**(4013.69)**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES:**		
	Interest and financial charges	(445.61)	(310.83)
	Dividend Paid (including corporate dividend tax)	(1849.44)	(1848.34)
	Proceeds from long term borrowings	21007.50	-
	Net cash used in financing activities	18712.45	(2159.17)
	Net increase in cash and cash equivalents		
	Cash and cash equivalents as at 31st March, 2012 (Opening balance)	5192.82	2503.32
	Cash and cash equivalents as at 31st March, 2013 (Closing balance)	3693.36	1190.04
		8886.18	**3693.36**

Cash Flow Statement for the year ended 31st March, 2013

Rs. in lacs

			31st March, 2013	31st March, 2012
Notes	1.	Previous year's figures have been regrouped wherever necessary to conform to this year's classification.		
	2.	Figure in brackets indicates cash outgo		
	3.	Cash and Cash equivalents include	Current Year	Previous Year
		Cash in hand	6.25	5.00
		Bank Balances		
		Current account	554.61	865.86
		Cheques/Drafts in hand	325.32	512.50
		Short term deposit	8000.00	2310.00
			8886.18	**3693.36**

As per our Report of even date
FOR JAIN PRAMOD JAIN & CO.
Chartered Accountants
FRN 016746 N

(P.K.JAIN)
Partner
M.No.10479

New Delhi
2nd May, 2013

Anil Kumar Mandot
CFO & Jt. President (Commercial)

Swadesh Agrawal
Company Secretary

K.C. Jain, Director
Aruna Makhan, Director
K. K. Mudgil, Director
Amal Ganguli, Director
N.G. Khaitan, Director
Gaurav Goel, Director
Vidula Jalan, Executive Director
A.V. Jalan, Executive Director

Corporate Information

BOARD OF DIRECTORS

Shri K.C.Jain	
Smt. Aruna Makhan	
Shri K.K.Mudgil	
Shri Amal Ganguli	(Appointed w.e.f. 11th February, 2013)
Shri N.G.Khaitan	
Shri Gaurav Goel	
Smt. Vidula Jalan	Executive Director
Shri A.V.Jalan	Executive Director

CHIEF FINANCIAL OFFICER

Shri Anil Kumar Mandot (Appointed w.e.f. 3rd September, 2012)

COMPANY SECRETARY

Shri Swadesh Agrawal (Appointed w.e.f. 3rd September, 2012)

TEAM OF EXECUTIVE

Shri S.S.Jain	President
Shri Yaswant Mishra	President (Corporate)
Shri A.K.Uppal	President (Sales & Marketing)
Shri Anil Kumar Mandot	Joint President (Commercial)
Shri R.Giri	Vice President (Elect. & Instrumentation)
Shri P.N.Bansal	Vice President (Projects)
Shri G.S.Chandak	Vice President (Sales & Sales Accounts)
Shri Anoop Walia	Vice President (Marketing)
Shri S.R.Sinha	Vice President (Purchase)
Shri S.B. Sharma	Vice President (Mines)
Shri S.D.Mishra	Vice President (Mechanical)
Shri S.S.Oswal	Vice President (Civil)
Shri S.D.Arya	Vice President (P&QA)

REGISTERED OFFICE & WORKS

P.O. Aditya Nagar-326520
Morak
Dist.Kota (Rajasthan)

HEAD OFFICE

Birla Building, 8th Floor
9/1 R.N. Mukherjee Road
Kolkata-700 001

AUDITORS

Messrs Jain Pramod Jain & Co.
Chartered Accountants

BANKERS

State Bank of India
State Bank of Bikaner & Jaipur
ICICI Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.
DBS Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENTS

M/s Mas Services Ltd.
T-34, 2nd Floor, Okhla Industrial Area, Phase-II,
New Delhi-110020
Tel. No. 011-26387281/82/83
Fax No. 011-26387384
Email- info@masserv.com,
Website- www.masserv.com

MANGALAM CEMENT LTD.

Registered Office: Aditya Nagar Morak-326520 Dist. Kota (Rajasthan)

FORM OF PROXY

Regd. Folio No..... DP ID..... Client ID .....

No. of shares held ..... Proxy No. .....

I/We.....

of .....

being a member/members of MANGALAM CEMENT LIMITED, hereby appoint.....

.....of .....or

falling him/her .....of .....as

my/our proxy to attend and vote for me/us on my/our behalf at the Thirty Seventh Annual General Meeting of the Company to be held on Monday, the 29th July, 2013 and at any adjournment thereof.

Signed this .....day of .....2013.

Affix 30 Paise Revenue Stamp Here

(Signature)

Notes:
1. The form should be signed across the stamp as per specimen signature recorded with the company.
2. The Proxy form duly completed must reach the Registered Office of the Company not less than forty eight hours before the time for holding the Meeting.
3. A Proxy need not be a Member of the Company.

MANGALAM CEMENT LTD.

Registered Office: Aditya Nagar Morak-326520 Dist. Kota (Rajasthan)

ATTENDANCE SLIP

Regd. Folio No..... DP ID..... Client ID .....

No. of shares held ..... Proxy No. .....

I hereby record my presence at the Thirty Seventh Annual General Meeting of the Company held on 29.07.2013 at Club Hall, Basant Vihar, Aditya Nagar, Morak-326520, Dist. Kota (Raj.)

1. Full name of the Member .....
   (in Block Letters)
2. Full name of the Joint-holder(s) .....
   (in Block Letters)
3. *Full name of the Proxy .....
   (in Block Letters)
4. Signature of the Member/Proxy
   attending the Meeting .....

*To be filled-in if the Proxy attends instead of Member(s)

Note: Member/Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of the Meeting.

Tel. : 9351468076
E-mail : mclmorak@kappa.net.in
Telefax : 07459 - 232156
Website : www.mangalamcement.com

B K BIRLA GROUP OF COMPANIES

MANGALAM CEMENT LTD.

REGD. OFFICE & WORKS : P.O. ADITYA NAGAR-326520, MORAK, DISTT. KOTA (RAJ.)

FORM A

1.	Name of the Company	**Mangalam Cement Limited**
2.	Annual financial statements for the year ended	**31st March 2013**
3.	Type of Audit observation	**Un-qualified**
4.	Frequency of observation	**Not Applicable**

Yours faithfully,

A.V.Jalan, Executive Director

K.C.Jain, Chairman, Audit Committee

Anil Kumar Mandot, CFO

P.K.Jain, M/s Jain Pramod Jain & Co.,
Auditor, M. No. 10479

For Jain Pramod Jain & Co.
Chartered Accountants
(FRN 016746N)
9.7.2013
Partner
M. No. 10479

Kota Office : "Mangalam" 93, Dashera Scheme, P.O. Dadabari, KOTA - 324 009 (Rajasthan)
Tel. No. : 0744 - 2500266, 3098600, Fax : 0744 - 2500178, E-mail : mclkta@kappa.net.in

Delhi Office : UCO Bank Building (4th Floor), 5, Parliament Street, New Delhi - 110 001
Tel. No. : 011- 23730854, 30680258, 30680259, Fax : 011- 23730856
E-mail : delhi.purchase@mangalamcement.com, delhi.marketing@mangalamcement.com

Jaipur Office : 30, Shrirampura Colony, Surajnagar (East), Civil Lines, Jaipur-302 006 (Rajasthan)
Tel. : 0141 - 2221271, 3203349, Fax No. : 0141 - 2220863
E-mail : jaipur.marketing@mangalamcement.com, mcljpr@rediffmail.com