BIRLA CORPORATION LIMITED

MP BIRLA GROUP

ANNUAL REPORT AND ACCOUNTS 2011-12

Madhav Prasadji Birla
(1918-1990)

Visionary, Pioneer, Karmayogi. His inspiring spirit of enterprise continues to be the guiding force for all our activities and future growth

Priyamvadaji Birla
(1928-2004)

Vidya, Shraddha, Chintan and Utkarsh were the principles that governed her approach to life and will be guiding us always in our pursuit for excellence

Rajendraji S Lodha
(1942-2008)

His exemplary leadership will continue to inspire and motivate us to grow, develop and excel in all spheres with Discipline, Determination, Dedication and Dignity

DIRECTORS

Shri Harsh V. Lodha
Chairman

Shri Pracheta Majumdar

Shri Vikram Swarup

Shri Anand Bordia

Shri B. B. Tandon

Shri D. N. Ghosh

Shri Deepak Nayyar

Shri M. K. Sharma

Shri B. R. Nahar
Executive Director & CEO

BOARD OF DIRECTORS

Shri Harsh V. Lodha
Chairman

Shri Pracheta Majumdar

Shri Vikram Swarup

Shri Anand Bordia

Shri B. B. Tandon

Shri D. N. Ghosh

Shri Deepak Nayyar

Shri M. K. Sharma

Shri B. R. Nahar
Executive Director & Chief Executive Officer

CHIEF FINANCIAL OFFICER

Shri P. K. Chand

COMPANY SECRETARY

Shri Girish Sharma

AUDITORS

H. P. Khandelwal & Co.
Chartered Accountants
Kolkata - 700 001

REGISTRAR & SHARE TRANSFER AGENT

MCS Limited
77/2A, Hazra Road
Kolkata - 700 029

CORPORATE OFFICE

1, Shakespeare Sarani (2nd Floor)
Kolkata - 700 071

REGISTERED OFFICE

Birla Building (3rd & 4th Floor)
9/1, R. N. Mukherjee Road
Kolkata - 700 001

SENIOR MANAGEMENT TEAM

Shri G. Jayaraman
Executive President

Shri P. S. Marwah
President
- Satna Cement Works
- Birla Vikas Cement
- Raebareli Cement Works
- Vindhyachal Steel Foundry

Shri V. K. Hamirwasia
President
- Birla Cement Works
- Chanderia Cement Works

Shri P. C. Mathur
Sr. Joint President
- Durgapur Cement Works
- Durga Hitech Cement

Shri K. K. Sharma
President
- Management Audit

Dr. D. Ghosh
Sr. Joint President
- New Projects and R & D

Shri G. R. Verma
Joint President
- Birla Jute Mills

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NOTICE

To the Shareholders

NOTICE is hereby given that the Ninety-second Annual General Meeting of the Shareholders of the Company will be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata-700 026, on Thursday, the 28th June, 2012 at 10.30 A.M. to transact the following business :-

ORDINARY BUSINESS :

01. To receive, consider and adopt the Balance Sheet as at 31st March, 2012, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
02. To confirm the payment of Interim Dividend on Ordinary Shares and to declare Final Dividend on Ordinary Shares for the year 2011-12.
03. To appoint a director in place of Shri Vikram Swarup, who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint a director in place of Shri B.B. Tandon, who retires by rotation and being eligible, offers himself for re-appointment.
05. To appoint a director in place of Shri Harsh V. Lodha, who retires by rotation and being eligible, offers himself for re-appointment.
06. To appoint Auditors and to fix their remuneration.

Registered Office :
Birla Building
9/1, R. N. Mukherjee Road
Kolkata-700 001
Dated, the 9th May, 2012

By Order of the Board

Girish Sharma
Sr. Vice-President (Indirect Taxes)
& Company Secretary

Notes :

(01) **A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. Proxies, in order to be effective, must be deposited at the registered office of the Compny not less than 48 hours before the commencement of the Meeting.**

(02) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.

(03) The Register of Members and the Share Transfer Books of the Company will remain closed from 15th June, 2012 to 28th June, 2012 (both days inclusive).

(04) Interim Dividend at the rate of ₹ 2.50 per share (25%) on ordinary share capital of the Company was paid to members whose names appeared on the Register of Members as on the Record Date i.e. Monday, the 14th November, 2011 and the beneficial owners as per details received by the Company from National Securities Depository Limited and Central Depository Services (India) Limited.

(05) Final Dividend on ordinary shares, when approved at the Meeting, will be credited/dispatched by 7th July, 2012 to those members –

(a) whose names appear as Beneficial Owners as at the end of business hours on 14th June, 2012, in the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and

(b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 14th June, 2012.

(06) Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent, quoting their folio number, any change in their registered address with PIN CODE/mandate/bank details and in case the shares are held in dematerialised form, this information should be passed on to their respective Depository Participants.

(07) Shareholders who have not so far encashed their Dividend Warrants for the accounting years ended 31st March, 2005, 2006, 2007, 2008, 2009, 2010, 2011 and Interim Dividend Warrants for accounting year ended 31st March, 2010, 2011 and 2012 may immediately approach the Company for revalidation of unclaimed Dividend Warrants.

Shareholders are hereby informed that pursuant to Section 205A(5) of the Companies Act, 1956, the Company is required to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investor Education and Protection Fund ('the Fund') established by the Central Government. In accordance with Section 205B of the Act, no claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years from the dates they first became due for payment and no payment shall be made in respect of any such claims. **Accordingly, the money lying in the Unpaid Dividend Account for the year ended 31st March, 2005, will be transferred to the Fund in October, 2012.**

(08) The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.

(09) As per the provisions of the amended Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Shareholders holding shares in physical form may obtain Nomination Form - 2B from the Registrar & Share Transfer Agents/Company. Shareholders desiring to avail this facility may send their Nomination Form duly filled in, to the Company or its Registrar & Share Transfer Agents by quoting their respective Folio Numbers. In case of shares held in Demat form, the nomination has to be lodged with the Depository Participant.

(10) As required by Securities and Exchange Board of India (SEBI) vide its Circular, the shareholders are requested to furnish a copy of the PAN card to the Company/Registrar & Share Transfer Agents while sending the shares held in physical form for transfer, transmission, transposition and deletion of name of the deceased shareholder(s).

(11) Disclosure pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, with respect to Directors seeking re-appointment in the forthcoming Annual General Meeting is given in the Annexure.

Registered Office :
Birla Building,
9/1, R.N. Mukherjee Road
Kolkata-700 001.
Dated, the 9th May, 2012

By Order of the Board

Girish Sharma
Sr. Vice-President (Indirect Taxes)
& Company Secretary

Invitation to participate in the Green Initiative launched by the Ministry of Corporate Affairs

The Ministry of Corporate Affairs (MCA) has permitted paperless compliances by the Companies, vide its circulars No.17/2011 and No.18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that services of documents on Members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the Members are given an advance opportunity to register their e-mail address or changes, if any, therein with the Company.

Pursuant thereto, we once again invite those members who have not registered their e-mail address to participate in the Green Initiative by registering their e-mail address for the purpose of service of documents viz. Annual Report, Notice of General Meetings, Notice of Postal Ballot, Intimation of ECS Credits etc. by e-mail.

Shareholders holding shares in Demat form, who have not yet registered their e-mail address are requested to register the same with their respective Depository Participant at the earliest. Shareholders who hold shares in physical form are also requested to register their e-mail address with our Registrar & Share Transfer Agent - M/s. MCS Limited, 77/2A, Hazra Road, Kolkata - 700 029, E-mail ID: **mcskol@rediffmail.com**. Such registration of e-mail address may also be made with the Company at its Registered Office as per the address mentioned above or at the E-mail ID: **greeninitiative@birlacorp.com**. Any changes in the E-mail address may also be communicated from time to time.

ANNEXURE TO ITEMS 3, 4 & 5 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)

(As on 31st March, 2012)

Name of the Director	**Shri Vikram Swarup**	**Shri B.B. Tandon**	**Shri Harsh V. Lodha**
Date of Birth	16.09.1948	30.06.1941	13.02.1967
Nationality	Indian	Indian	Indian
Date of appointment on the Board	28.04.2004	30.05.2007	23.04.1996
Qualifications	Mechanical Engineer	I.A.S.	Chartered Accountant
Expertise	Wide experience in Marketing, Engineering and other General Management functions.	Has held various senior positions with Central Government and retired as Chief Election Commissioner	Wide experience in Corporate Management including Finance and General Management functions
Number of shares held in the Company	500*	500*	1260*
List of directorships held in other companies	Paharpur Cooling Towers Limited (Managing Director) Industrial & Prudential Investment Company Limited Melvin Powell Vanaspati & Engineering Industries Limited Okhla Chemicals Ltd. Paharpur Industries Ltd.	ACB (India) Limited Adani Power Limited Bhushan Steel Limited Dhampur Sugar Mills Limited Exicom Tele-Systems Limited Filatex India Limited Jaiprakash Power Ventures Limited Jaypee Infratech Limited Lanco Anapara Power Ltd. Oriental Carbon & Chemicals Limited Precision Pipes & Profiles Limited Vikas Global One Limited VLS Finance Limited	Alfred Herbert (India) Ltd. Birla Ericsson Optical Ltd. Birla Furukawa Fibre Optics Ltd. Fenner (India) Ltd. Hindustan Gum & Chemicals Ltd. Punjab Produce Holdings Ltd. Universal Cables Ltd. Vindhya Telelinks Ltd.
Chairman/Member of the Committees of the Boards of companies in which he is Director	**Member** *Management Committee* - Paharpur Cooling Towers Ltd.	**Chairman** *Remuneration Committee* - Adani Power Limited Precision Pipes & Profiles Limited Vikas Global One Limited *Audit Committee* - Bhushan Steel Ltd.	**Chairman** *Investors Grievance Committee* - Alfred Herbert (India) Ltd.

Name of the Director	Shri Vikram Swarup	Shri B.B. Tandon	Shri Harsh V. Lodha
		Member *Audit Committee* – Adani Power Limited Filatex India Limited Oriental Carbon & Chemicals Limited Precision Pipes & Profiles Limited Jaiprakash Power Ventures Ltd. VLS Finance Limited *Shareholders/Investors Grievance Committee* - VLS Finance Limited *Remuneration Committee* – ACB (India) Ltd. Dhampur Sugar Mills Ltd. Exicom Tele-Systems Limited Oriental Carbon & Chemicals Limited Lanco Anapara Power Ltd. *Finance Committee* - Adani Power Limited Jaypee Infratech Limited *Yamuna Expressway Appraisal Committee* - Jaypee Infratech Limited *Committee of Directors* - Jaiprakash Power Ventures Ltd.	**Member** *Audit Committee* – Fenner (India) Ltd. Punjab Produce Holdings Ltd.
Relationship between Directors inter-se	Nil	Nil	Nil

NOTE : * Shares held jointly with other shareholder.

Directorships / Committee memberships exclude Alternate Directorships and Directorships in private / foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.