

ENDURING STRENGTHS



MANGALAM CEMENT LIMITED

35th Annual Report 2010-11

FORWARD-LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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At Mangalam Cement, enduring strength is reflected in consistently improving corporate performance since inception. Across the decades, we have worked hard to create a value-driven organisation. Values that transcend short-term business realities and ad hoc priorities to create a sustainable organisation.

Our story is more than the story of cement. It is a story of unwavering courage to press ahead despite adversities; of conviction in our ability to perform significantly better in future; of consolidating key capabilities to drive operational excellence and visibility; and of enduring stakeholder commitment.

The market is also showing signs of a significant long-term improvement. We are focusing on ground realities and upgrading our capabilities to transform emerging opportunities into viable business propositions.





WE ARE LOOKING AHEAD INTO THE FUTURE WITH OPTIMISM



Status

- Mangalam Cement Limited was incorporated in 1976 and commenced cement production in 1981; it is an integrated manufacturer of world-class cement, based in North India.
- Part of the B.K. Birla Group of Companies
- Strong workforce of over 800 employees
- Equity shares of the Company are listed on the National Stock Exchange of India Ltd. (NSE) and the Bombay Stock Exchange Ltd. (BSE)

Offerings

- Birla Uttam Cement- 43 Grade
- Birla Uttam Cement- Portland pozzolana cement (PPC)

Locations

- Cement plants (2 million tons) and coal-based power plant (35 MW) - Aditya Nagar, Morak district Kota (Rajasthan)
- Wind power – 13.65 MW capacity at Jaisalmer (Rajasthan)
- Regional offices at Kota, Jaipur and Delhi
- Primarily caters to the markets of Rajasthan, Madhya Pradesh, Haryana and western Uttar Pradesh, among others

Certifications

- ISO 9001:2008 certification, ensuring stringent process quality control
- ISO 14001:2004 certification, ensuring superior environmental management system
- IS 18001:2007 certification, ensuring advanced occupational health and safety management system



Ratings

- Rated 'CARE AA-' for long- and medium-term facilities and 'PR1+ (PR one plus)' for short-term facilities by Credit Analysis & Research Ltd (CARE)

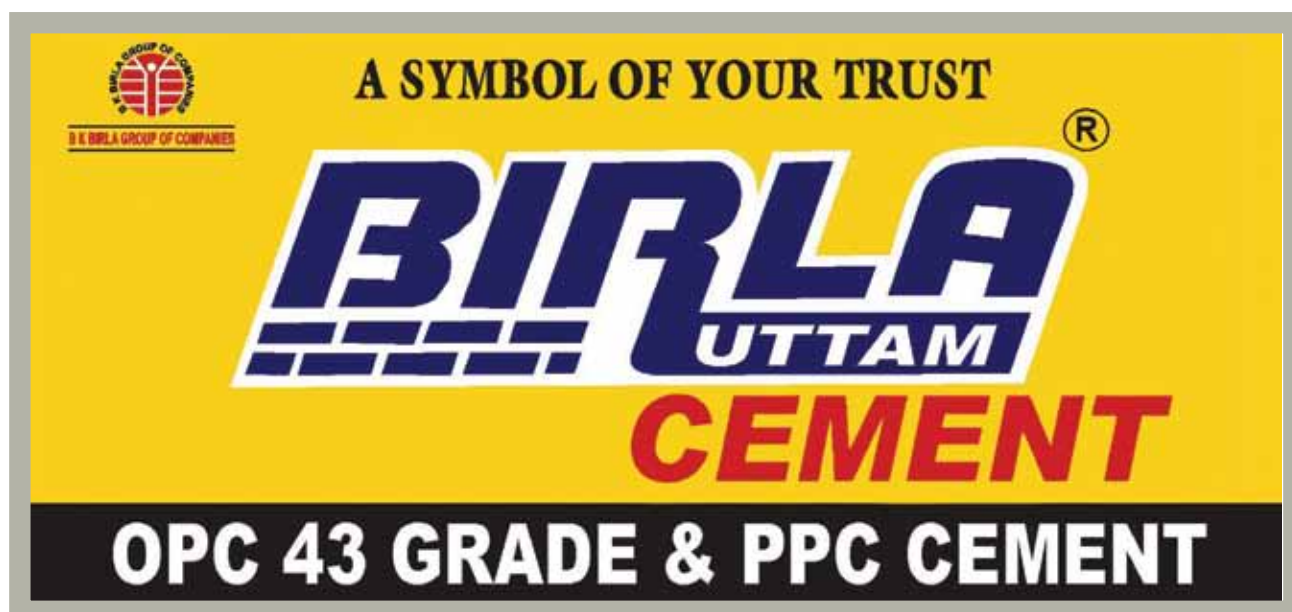
Expansion plans

- To set up a 1.25 MTPA clinker grinding unit at Aligarh, Uttar Pradesh
- Enhance clinker production by 0.5 million tons annually at the existing site.

Current development

- The process of merging Mangalam Timber Products Limited with Mangalam Cement Limited is currently underway. This will facilitate consolidation and integration of activities with pooling of more efficient resource utilisation. Mangalam Timber with pan-India presence is a leading brand in the medium density fibre boards (MDF) industry. MDF enjoys diverse applications and the industry is poised for substantial growth.

The Brand - Birla Uttam





AWARDS AND ACCOLADES

- ❑ Awarded in multiple categories in Mines Safety Week, 2010, which was celebrated under the aegis of the Directorate General of Mines Safety, Government of India Dhanbad
- ❑ Awarded in multiple categories in 21st Mines Environment and Mineral Conservation Week 2010-11 celebrated under the aegis of the Indian Bureau of Mines, Ajmer



21st Mines Environment and Mineral Conservation Week 2010-11



(Under The aegis of Indian Bureau of Mines, Ajmer Region)

CERTIFICATE OF HONOUR



is awarded to
M/s. Manglam Cement Ltd. (Morab Limestone Mine)
for participating in
21st Mines Environment & Mineral Conservation Week 2010-11
from 17th Jan. 2011 to 23rd Jan. 2011 in the group of
Mechinised/Semi-Mechanised I/II/III/Manual Open Cast Mines.
They have been awarded
First / Second / Third Prize in the field of
Reclamation & Rehabilitation of Land Damaged by Mining


D.K. Agarwal
Secretary

Dated : 29th Jan 2011
RSM Ltd. Bikaner (Raj.)


R.K. Mehta
Chairman

21st Mines Environment and Mineral Conservation Week 2010-11



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They have been awarded
First / Second / Third Prize in the field of
Afforestation / Plantation


D.K. Agarwal
Secretary

Dated : 29th Jan 2011
RSM Ltd. Bikaner (Raj.)


R.K. Mehta
Chairman



21st Mines Environment and Mineral Conservation Week 2010-11



(Under The aegis of Indian Bureau of Mines, Ajmer Region)



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Mechinised/Semi Mechanised I/II/III/Manual Open Cast Mines.
They have been awarded
First / Second / Third Prize in the field of
Documentation on Mineral Conservation & Environment


D.K. Agarwal
Secretary

Dated : 29th Jan 2011
RSM Ltd. Bikaner (Raj.)


R.K. Mehta
Chairman

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First / Second / Third Prize in the field of
Water Pollution Control

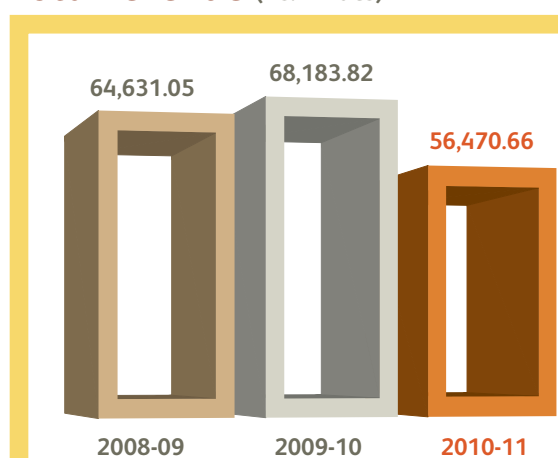

D.K. Agarwal
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Dated : 29th Jan 2011
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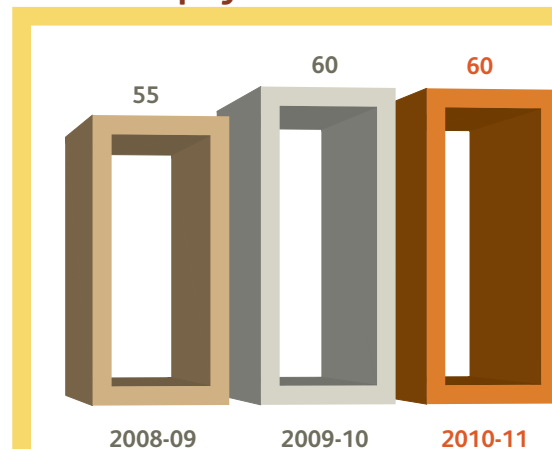

R.K. Mehta
Chairman

AMID CHALLENGING MARKET REALITIES-OUR PERFORMANCE

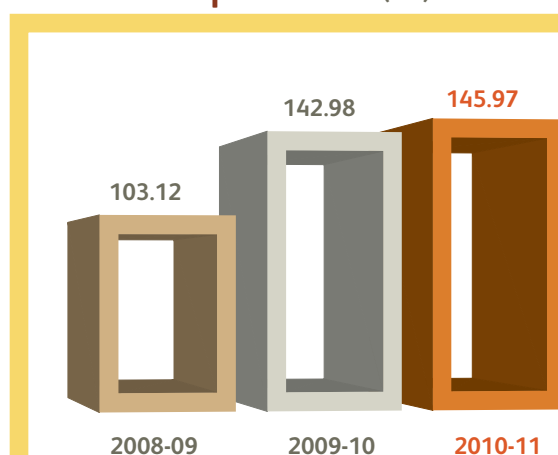
Total revenue (Rs. in lacs)



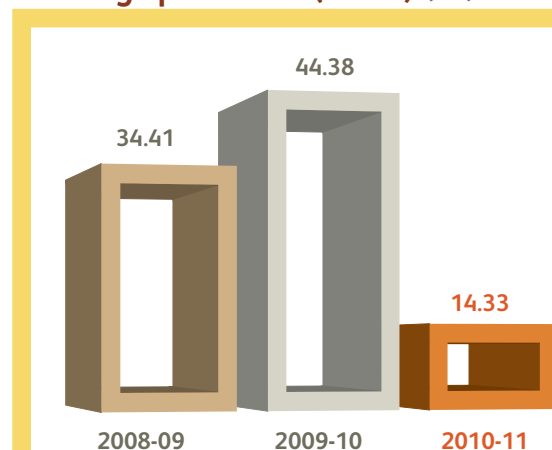
Dividend payment (%)



Book value per share (Rs.)



Earnings per share (basic) (Rs.)

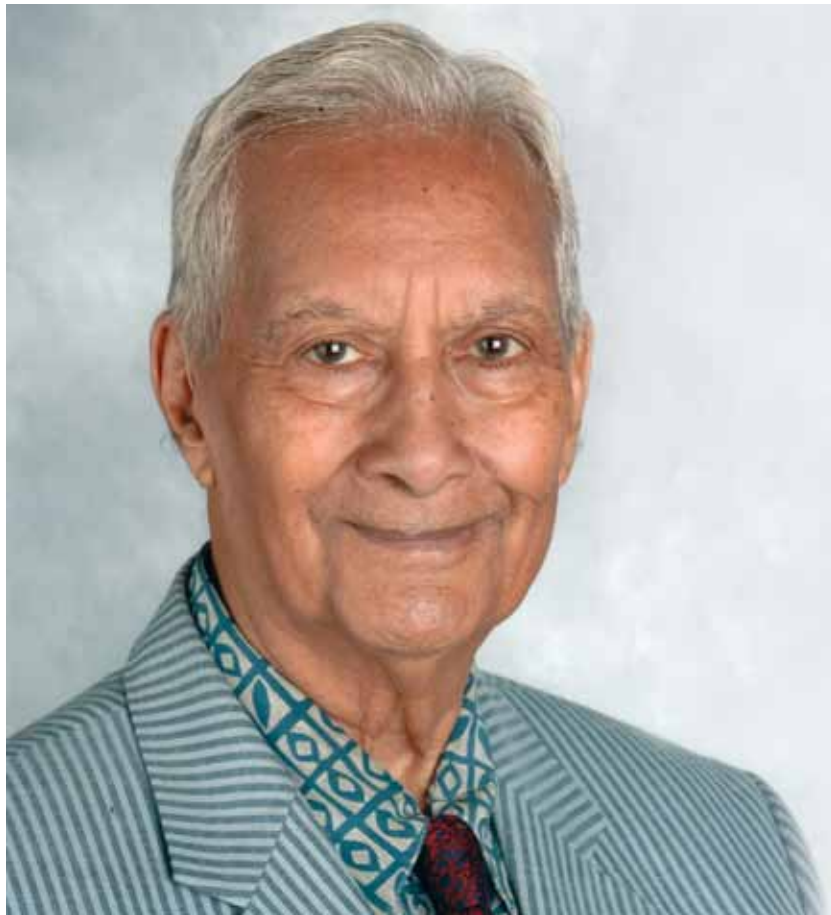


Production

	2010-11	2009-10
Cement	1514276 MT	1636818 MT
Clinker	1379500 MT	1636540 MT



MESSAGE FROM SYT. B.K. BIRLA



Mangalam Cement represents a sterling example of value-centric corporate governance, guided by the established principles of our Group. I extend my wholehearted cooperation and support for its journey ahead. Market challenges, in my opinion, are transitory realities that can be overcome by virtue of sound strategies and solid execution. It will also continue to contribute meaningfully towards social wellbeing and consciously minimise the impact of its activities on the environment. I am confident that Mangalam Cement has the calibre to emerge as a considerable presence in the cement industry.

With best wishes

Basant Kumar Birla

