

ADITYA BIRLA



Samruddhi Cement

“Our goal is to become a US \$65 billion Group by 2015 from US \$30 billion today. We expect your company to contribute significantly to this growth and earnings.”

KUMAR MANGALAM BIRLA



Mr. G. D. Birla and Mr. Aditya Birla, our founding fathers.
We live by their values.
Integrity, Commitment, Passion, Seamlessness and Speed

SAMRUDDHI CEMENT LIMITED

BOARD OF DIRECTORS

Mr. Kumar Mangalam Birla, *Chairman*
Mr. R. C. Bhargava
Mr. G. M. Dave
Mr. N. J. Jhaveri
Mr. S. B. Mathur
Mr. Adesh Gupta
Mr. O. P. Puranmalka
Mr. Ashok Malu

Company Secretary

Mr. Kamal Rathi

Executives

Mr. R. K. Shah *Group Executive President & CMO (Mfg. & Projects)*
Mr. S. N. Jajoo *Chief Marketing Officer*
Mr. K.C. Birla *Sr. Executive President (Finance)*

Unit Heads

Mr. R. M. Gupta *Vikram Cement Works*
Mr. D. R. Dhariwal *Birla White*
Mr. S. K. Gupta *Rajashree Cement Works*
Mr. S. Natarajan *Reddipalayam Cement Works*
Mr. M. M. Tiwari *Rawan Cement Works*
Mr. B. B. Joshi *Aditya Cement Works*
Mr. V. K. Jain *Kotputli Cement Works*

Auditors

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

Solicitors

M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co.,
Mumbai

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REGISTERED OFFICE: Birladham, Kharach, Kosamba 394 120, Dist. Bharuch (Gujarat)
Tel. : (02646) 270001-05 Fax : (02646) 270010
www.adityabirla.com/samruddhicement.htm

REGISTRAR & TRANSFER AGENT: Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072
Tel. : (022) 6772 0300 / 6772 0400 Fax : (022) 2859 1568 / 2850 8927
email : scl@shareproservices.com

NOTICE

NOTICE is hereby given that the First Annual General Meeting of the shareholders of Samruddhi Cement Limited will be held at the Registered Office of the Company at Birladham, Kharach, Kosamba 394 120, Dist. Bharuch (Gujarat) on Saturday, the 24th day of July, 2010 at 12.30 P.M. to transact, with or without modifications, as may be permissible, the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the period ended 31st March, 2010 and the Reports of the Directors and the Auditors thereon.

2. Declaration of Dividend

To declare dividend on Equity Shares for the period ended 31st March, 2010.

3. Re-appointment of Mr. Adesh Gupta

To appoint a Director in place of Mr. Adesh Gupta, who retires from office by rotation, and being eligible, offers himself for re-appointment.

4. Appointment of Statutory Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution relating to the appointment of Auditors of the Company:

"RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. G.P. Kapadia & Co., Chartered Accountants, Mumbai (Registration No. 104768W) and M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai (Registration No. 117366W), be and are hereby re-appointed as the Joint Statutory Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration to each of them, plus service tax as applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties, as the Audit Committee / Board of Directors may fix in this behalf."

SPECIAL BUSINESS:

5. Appointment of Mr. O.P. Puranmalka as a Whole-Time Director for the period 16th February, 2010 to 31st March, 2010.

To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT upon effectiveness of the Scheme of Arrangement between Grasim Industries Limited ("Grasim") and the Company ("the Scheme"), whereby the Cement Business of Grasim has been transferred to the Company pursuant to the Scheme under Sections 391 to 394 of the Companies Act, 1956, ("the Act") consent of the Company be and is hereby granted to the appointment of Mr. O.P. Puranmalka, a Director of the Company, who is deemed to be treated as Whole Time Director of the Company with effect from 16th February, 2010 to 31st March, 2010 under the provisions of Sections 198, 269, 309, 310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time, on the following terms and conditions including remuneration, viz.:

A. Period: 16th February, 2010 to 31st March, 2010.

B. Remuneration:

1. Basic Salary: Rs.9,41,900/- (Rupees Nine lacs forty one thousand nine hundred only) per month.
2. Special Allowance: Rs. 7,50,000/- (Rupees Seven lacs fifty thousand only) per month. This allowance however will not be taken into account for calculation of retiral benefits such as Provident Fund, Gratuity, Superannuation, Leave Encashment, etc.
3. Variable Pay: Performance Bonus Linked to the achievement of targets as may be decided by the Board subject to a maximum of Rs.2,25,00,000/- (Rupees Two crores twenty five lacs only) per annum.

4. Long-term Incentive Compensation (LTIC) / Employee Stock Option: As per the Plan applicable to the Senior Executives of the Company/Aditya Birla Group including that of any parent/ subsidiary company.

C. Perquisites

- i. Housing: Free furnished accommodation or HRA @ 50% of Basic Salary in lieu of Company provided accommodation.
- ii. Reimbursement of expenses on actual pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation.
- iii. Medical Expenses: Reimbursement of all expenses incurred in India for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalisation policy, as applicable).
- iv. Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the Rules of the Company.
- v. Club Fees: Fees of one Corporate Club in India (including admission and membership fee).
- vi. Personal Accident Insurance Premium: For self and family as per the Rules of the Company.
- vii. (a) Company's contribution towards Provident Fund and Superannuation Fund, on Basic Salary as per the Rules of the Company.
(b) Gratuity calculated on Basic Salary as per the Rules of the Company.
- viii. Car: Company maintained two Cars, as per the Rules of the Company.
- ix. Leave and encashment of leave: As per the Rules of the Company.
- x. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the

Company as per the Rules of the Company. Travelling expenses of spouse accompanying the Whole-time Director on any official overseas or inland trip will be governed as per the Rules of the Company.

- xi. Other Allowances / benefits / perquisites : Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- xii. Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement.
- xiii. Subject as aforesaid, the Whole-time Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

The aggregate of the remuneration and perquisites as aforesaid shall not exceed the limits prescribed from time to time under Sections 198, 309, 310 and all other applicable provisions of the Act, read with Schedule XIII to the said Act or any statutory modifications or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. O. P. Puranmalka, Whole-time Director will be considered as continuous service with the Company from the date of his joining the Aditya Birla Group.

So long as Mr. Puranmalka functioned as the Whole Time Director, he was not paid any fees for attending the meetings of the Board of Directors of the Company or any Committee(s) thereof. Though, considering the provisions of Section 314(1) of the Act, Mr. Puranmalka would not be holding any office or place of profit by his being a

mere director of the Company's subsidiary(s)/ Joint Venture(s), approval be and is hereby also granted by way of abundant caution for him to accept the sitting fees / commission payable to other directors for attending meetings of Board(s) of Directors/ Committee(s) of subsidiary(s)/ Joint Venture(s) of the Company or companies promoted by the Aditya Birla Group."

"RESOLVED FURTHER THAT the remuneration payable/paid to Mr. Purnamalka as aforesaid shall be subject to the applicable provisions of Schedule XIII of the Act."

"RESOLVED FURTHER THAT all actions taken so far by the Company in or in relation to the aforesaid matters be and are hereby ratified and approved."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

6. Appointment of Mr. O.P. Purnamalka as a Director

To appoint Mr. O.P. Purnamalka (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs.500 under Section 257 of the Act, from a member signifying his intention to propose Mr. O.P. Purnamalka as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. O.P. Purnamalka be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. Appointment of Mr. Kumar Mangalam Birla as a Director

To appoint Mr. Kumar Mangalam Birla (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs.500 under Section 257 of the Act, from a member signifying his intention to propose Mr. Kumar Mangalam Birla as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Kumar Mangalam Birla be and is hereby appointed as a Director of the Company liable to retire by rotation."

8. Appointment of Mr. R.C. Bhargava as a Director

To appoint Mr. R.C. Bhargava (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of the Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500 under Section 257 of the Act, from a member signifying his intention to propose Mr. R.C. Bhargava as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. R.C. Bhargava be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. Appointment of Mr. G.M. Dave as a Director

To appoint Mr. G.M. Dave (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500 under Section 257 of the Act, from a member signifying his intention to propose Mr. G.M. Dave as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. G.M. Dave be and is hereby appointed as a Director of the Company liable to retire by rotation."

10. Appointment of Mr. N.J. Jhaveri as a Director

To appoint Mr. N.J. Jhaveri (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500 under Section 257 of the Act, from a member signifying his intention to propose Mr. N.J. Jhaveri as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. N.J. Jhaveri be and is hereby appointed as a Director of the Company liable to retire by rotation."

11. Appointment of Mr. S.B. Mathur as a Director

To appoint Mr. S.B. Mathur (who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Company's Articles of Association and who holds office under the provisions of Company's Articles of Association and Section 260 of the Companies Act, 1956 ("the Act") only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500 under Section 257 of the Act, from a member signifying his intention to propose Mr. S.B. Mathur as a candidate for the office of Director) as a Director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. S.B. Mathur be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board



Kamal Rathi
Company Secretary

Place: Mumbai
Date: 21st June, 2010

NOTES FOR MEMBERS' ATTENTION AND INFORMATION FOR MEMBERS':

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- 2) An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of items 5 to 11 of the Notice as set out above, is annexed hereto.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from 16th July, 2010 to 24th July, 2010 (both days inclusive) for the purpose of payment of dividend, if approved by the Members.
- 4) The dividend, as recommended by the Board, if approved at the Annual General Meeting, will be paid on or after 24th July, 2010 to those Members or their mandates whose names are registered on the Company's Register of Members:
 - a) as Beneficial Owners as at the end of business on 15th July, 2010 as per the lists to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
 - b) as Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar & Transfer Agents (RTA) viz. Sharepro Services (India) Private Limited having their address at 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 on or before 15th July, 2010.

- 5) a) Shareholders are requested to notify any change of address:

- (i) to their Depository Participants (DPs) in respect of the shares held in demat form, and
- (ii) to the Company's Registrar & Transfer Agents at below mentioned address, in respect of the shares held in physical form together with a proof of address viz., Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport, etc.:

Share pro Services (India) Private Limited
Unit: Samruddhi Cement Limited
13 AB, Samhita Warehousing Complex
2nd Floor, Sakinaka Telephone
Exchange Lane, Off Andheri Kurla
Road, Sakinaka,
Mumbai – 400 072

- b) In case the mailing address mentioned on this Annual Report is without the PINCODE, shareholders are requested to kindly inform their PINCODE immediately to their DP or the Company's Registrar and Transfer Agents as the case may be, as mentioned above.

- 6) Non-Resident Indian Shareholders are requested to inform the Registrar and Transfer Agents of the Company or their concerned DP, as the case may be, immediately:-

- a) the change in the residential status on return to India for permanent settlement,
- b) the particulars of the NRE Account with a bank in India, if not furnished earlier.

- 7) Shareholders are requested to correspond in connection with the shares held by them by addressing letters directly to the Registrar and Transfer Agents of the Company and not to the Company, quoting reference of their folio numbers or their Client ID number with DP ID number, as the case may be.

- 8) Shareholders who are holding shares in identical order of names in more than one folio are

requested to send to the Registrar and Transfer Agents of the Company the details of such folios together with the original Share Certificates for consolidation of their holdings in one folio. The Share Certificates will be returned to the Shareholders after making requisite changes thereon.

9) 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 the Nomination Form – 2B prescribed by the Government from the Registrar and Transfer Agents of the Company. Shareholders holding shares in demat form are required to approach their respective DPs for the nomination.

10) a) Shareholders are advised to avail of the facility for receipt of future dividends through Electronic Clearing Service (ECS). Shareholders holding shares in dematerialised mode are requested to contact their respective DPs for availing ECS facility. Shareholders holding shares in physical form are requested to collect the ECS form from the Registrar and Transfer Agents and the same duly filled up and signed along with a Xerox copy of a cancelled cheque may be sent to the Registrar and Transfer Agents of the Company.

b) To avoid the incidence of fraudulent encashment of the dividend warrants, Shareholders are requested to intimate the Company under the signature of the Sole/ First Joint holder, the following information, so that the Bank Account Number and Name and address of the Bank can be printed on the dividend warrants:-

- 1) Name of Sole/First Joint holder and Folio No.
- 2) Particulars of Bank Account, viz.
 - i) Name of the Bank
 - ii) Name of Branch

iii) Complete address of the Bank with Pin code Number

iv) Account Type, whether Savings (SB) or Current Account (CA)

v) Bank Account Number allotted by the Bank

11) Shareholders who hold shares in the dematerialised form and desire a change / correction in the bank account details, should intimate the same to their concerned DP and not to the Registrar and Transfer Agents of the Company. Shareholders are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such shareholders for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered as will be furnished by the DPs to the Company.

12) Shareholders desirous of obtaining any information / clarification on the accounts and operations of the Company are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received, only at the meeting.

13) Pursuant to the requirement of the Listing Agreement of the Stock Exchanges on Corporate Governance, relating to appointment of the Directors / reappointment of the retiring Directors, a statement containing the required details of the concerned Directors forms part of the Report on Corporate Governance.

14) In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the abovementioned transactions.