MP BIRLA GROUP

Birla Corporation Limited
Registered Office:
9/1 R. N. Mukherjee Road,
Birla Building (3rd Floor), Kolkata 700 001
P: 033 6616 6745 / 6826
F: +91 33 2248 7988/2872
E: coordinator@birlacorp.com

Ref. No. 74G/

July 21, 2018

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring, Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001
Fax No. (022) 2272 2037/2039/2041/2061/3121/3719

The Manager
Listing Department,
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051
Fax No. (022) 2659 8237/38/8348

Dear Sir,

Sub: **Annual Report for the Financial Year 2017-18**

Attached please find the Annual Report of the Company for the financial year 2017-18 for your reference and records please.

Kindly acknowledge the same.

Thanking you,

Yours faithfully
For **BIRLA CORPORATION LIMITED**

(GIRISH SHARMA)
Jt. President (Indirect Taxes)
& Company Secretary

Encl: As above

BIRLA CORPORATION LIMITED

HEART & STRENGTH

MP BIRLA GROUP

Annual Report and Accounts 2017-18



MP BIRLA GROUP



Madhav Prasadji Birla
(1918-1990)



Priyamvadaji Birla
(1928-2004)



Rajendraji S. Lodha
(1942-2008)



Shri Harsh V. Lodha
Chairman



Shri Prachata Majumdar
Wholetime Director designated as Chief Management Advisor



Shri Vikram Swarup



Shri Anand Bordia



Shri Brij Behari Tandon



Shri Dhruba Narayan Ghosh



Dr. Deepak Nayyar



Smt. Shaileja Chandra



Shri Dilip Ganesh Karnik



Shri Sachh Raj Nahar
Managing Director

BOARD OF DIRECTORS

Shri Harsh V. Lodha (DIN 00394094)
Chairman

Shri Pracheta Majumdar (DIN 00179118)
Wholetime Director designated as
Chief Management Advisor
Shri Vikram Swarup (DIN 00163543)
Shri Anand Bordia (DIN 00679165)
Shri Brij Behari Tandon (DIN 00740511)
Shri Dhruba Narayan Ghosh (DIN 00012608)
Dr. Deepak Nayyar (DIN 00348529)
Smt. Shailaja Chandra (DIN 03320688)
Shri Dilip Ganesh Karnik (DIN 06479513)
Shri Bachh Raj Nahar (DIN 00049895)
Managing Director

SENIOR MANAGEMENT TEAM

Shri A. Chattopadhyay
Executive President
Operation

Shri B. Roy
Head - Corporate HR

Shri R. Kakkar
President
Chanderia Unit

Shri S. R. Ghose
Executive President
Sales, Marketing & Logistics

Shri C. Sharma
Company Secretary

Shri J. S. Kalra
President
Satna Unit

Shri A. Saraogi
Chief Financial Officer

Shri G. R. Verma
President
Birla Jute Mills

Shri S. Sachan
Sr Vice President
Malhar Unit

AUDITORS
V. Sankar Aiyar & Co.
Chartered Accountants
New Delhi 110 008

REGISTRAR & SHARE TRANSFER AGENT
MCS Share Transfer Agent Limited
12/1/5, Monohar Pukur Road
Kolkata - 700 026

CORPORATE OFFICE
1, Shakespeare Sarani (2nd Floor)
Kolkata - 700 071
Phone: (033) 6603 3300/01/02

REGISTERED OFFICE
Birla Building (3rd & 4th Floors)
9/1, R. N. Mukherjee Road
Kolkata – 700 001
Phone: (033) 6616 6729/37/38
E-mail: investorsgrievance@birlacorp.com
Website: www.birlacorporation.com
CIN: L01132WB1919PLC003334

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Syt. Madhav Prasadji Birla
(1918-1990)

"On the centenary of our founder, Syt. Madhav Prasadji Birla, the MP Birla Group offers its homage to his credo of **Heart & Strength**.

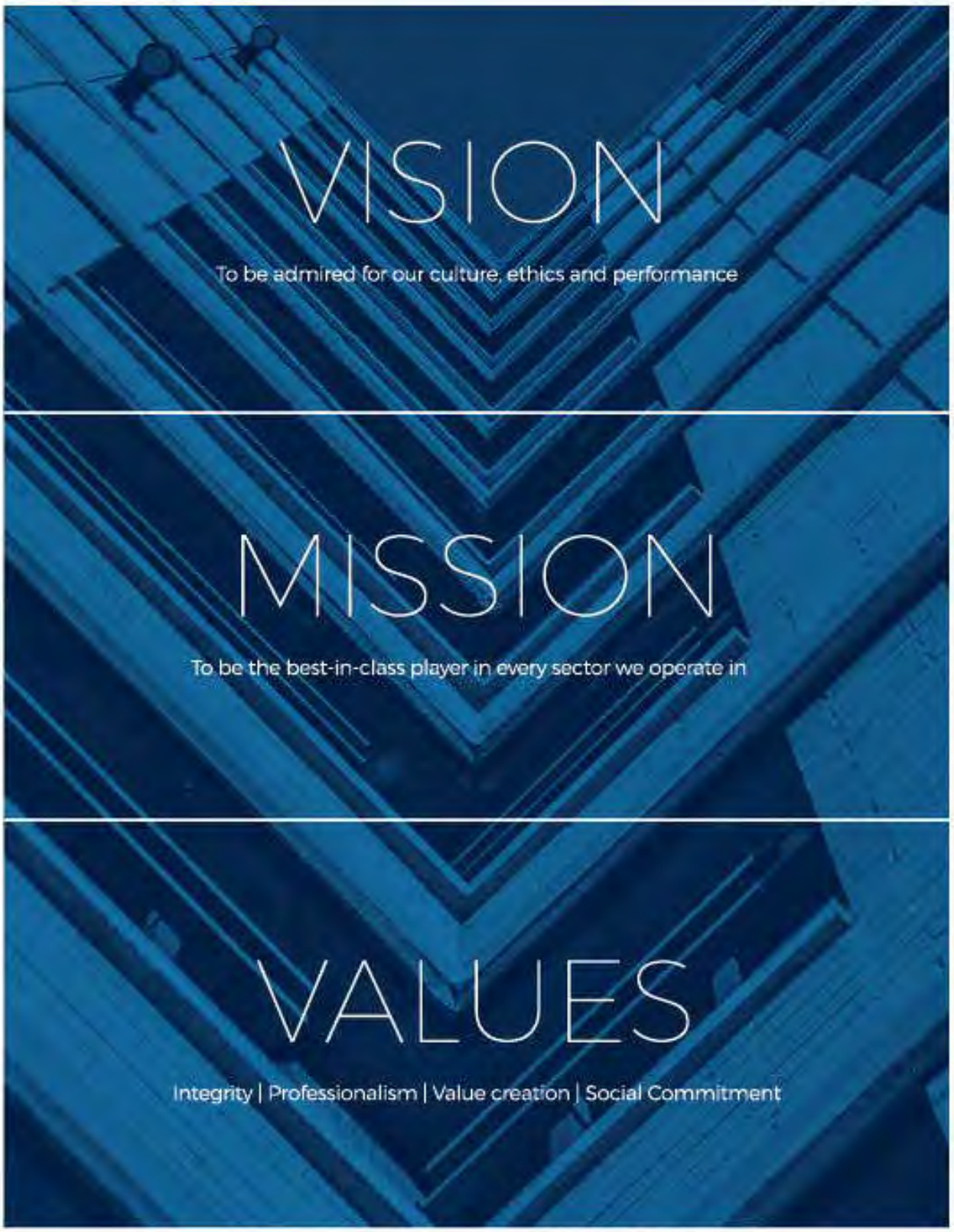
Nurtured by Syt. Madhav Prasadji Birla and Smt. Priyamvadaji Birla, the MP Birla Group is an assimilation of independent businesses and institutions. We take inspiration from our founder, and ensure that the twin core values of 'Heart & Strength' stand out as a reflection in all our endeavours."

HARSH V. LODHA
(Chairman)



MP BIRLA GROUP

It has been 100 years. The journey that had started with a single jute mill on the banks of the Hooghly river in 1919 has branched out to a multi-location, multi-product conglomerate with footprints across the country. We have grown, evolved and transformed along the way, remaining true to the vision of the founders that was enshrined in uncompromising integrity and corporate ethics. With **Heart & Strength** firmly embedded in the root of the organisation, the MP Birla Group empowers talented individuals to take the enterprise forward to new frontiers of business and greater heights of commercial success through sustainable policies and practices. We are mindful of the larger good of society, the priorities of the nation and the welfare of all stakeholders.


VISION
To be admired for our culture, ethics and performance
MISSION
To be the best-in-class player in every sector we operate in
VALUES
Integrity | Professionalism | Value creation | Social Commitment

THE JOURNEY OF HEART & STRENGTH

2016

The launch of the MP Birla Cement brand identity, and the new MP Birla Group logo.

2018

Celebrating 100 years of Syt. Madhav Prasadji Birla



2016

Acquisition of RCCPL in Maihar, Kundanganj & Butibori, taking the footprints of RCL across 12 states with a capacity of 19.5 MTPA



1998

Foundation of Raebareli Cement Works, followed by Raebareli Hi-Tech Cement Works.



1974

Foundation of Durgapur Cement Works. The Durga Hi-Tech Cement Works followed suit.



1957

Foundation of Satna Cement Works, the birthplace of Samrat Cement.



1967

Foundation of Birla Cement Works. Chanderia Cement Works joined hands soon after.



1919

The foundation of Birla Jute Mills, Alitpur; the only Indian-owned jute mill to have completed 100 years.





JUTE DIVISION

The Birla Jute Manufacturing Company Limited was founded in 1919. Set up in the outskirts of Kolkata, BJMCL was the first jute mill to have been established by an Indian business house, and is the forebearer of the present Birla Corporation Limited. Today, Birla Jute crafts traditional as well as modern jute merchandise, such as utility bags, tote bags, hydrocarbon-free coffee bean bags, decorative hessian fabrics, Panama weave fabrics and jute geotextiles. We take pride in promoting sustainable and environmentally friendly living, both at home and abroad.


Birla Jute Mills, Birlapur
A precursor to the Indian jute industry


Processing of jute fibre


Export quality jute merchandise


State-of-the-art jute processor

BRAND PORTFOLIO



The home-builder has always been at the heart of MP Birla Cement. We have an array of 9 cement brands in our portfolio, offering best value for different construction needs, depending on applications, climatic and geographic conditions.

Our latest Super-Premium range of value-added cement - Ultimate, Ultimate Ultra and Perfect Plus-has been designed to produce superior quality concrete for high-class construction.

In keeping with MP Birla Cement's brand promise of **Cement se Ghar tak,** we provide expert on-site technical service to our customers through a wide network of Mobile Construction Testing Labs and on-site engineers.



CHANNEL RELATIONSHIP

With over 9,000-strong dealer and retailer network, MP Birla Cement has a formidable marketing footprint across relevant geographies. The strength of our relationship comes from the emotional bond we enjoy with the extended families of our channel partners.







MP Birla Cement runs a differentiated Customer Reward and Recognition Programme – **Club Ultimate** - that has been conceived from the heart. It includes unique initiatives like **Prerna** – a scholarship for the talented next generation, Family Health Insurance and Personal Accident Insurance.

At MP Birla Cement, we acknowledge that the foundation of our business lies in these associations, which we further cement through our Annual Celebration – aptly called **Buniyad**.

MARKETING COMMUNICATION

In keeping with the MP Birla Cement brand ethos of **Cement se Ghar tak**, we speak straight from the heart to our end-consumers. We appreciate the emotions and sacrifices that go into building a home. We know that in constructing a house, people give shape to their dreams. This understanding resonates in every brand communication.













In keeping with the changing habits of media consumption, especially that of the younger generation, we have made our foray into Digital Marketing through the web and social media. Apart from the website, we have also launched a mobile app for our trade associates and construction professionals.

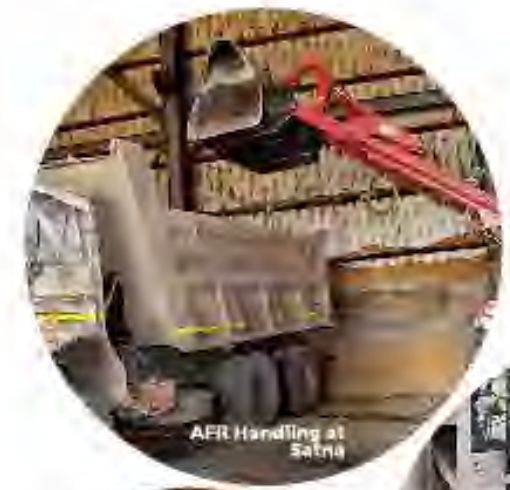
With the trend of e-commerce catching up fast, we have made our brands available on online portals like Indiamart.

LOGISTICS

Logistics lie at the heart of cement business. The MP Birla Group has been relentlessly pursuing innovations to improve operational efficiency, reduce costs and enhance service levels. Route to Market Optimisation, with the help of IT analytics and Vehicle Tracking Systems (VTS), has shortened lead distances and turn-around time.

A similar focus on in-bound logistics to secure supply chain has yielded substantial savings through cost effective sourcing and lower inventory.





AFR Handling at Satna



Biomass & Hazardous Waste Handling, Satna



Hazardous Liquid Waste Feeding Line, Chanderia

NON-CONVENTIONAL ENERGY AND ALTERNATIVE FUEL INITIATIVE

Sustainability lies at the heart of all our operations. To reduce the use of conventional non-renewable energy, we have stepped up our efforts to increase the use of renewable sources like solar power and alternative fuel. In addition to bio-mass, plastic & FMCG industry waste in 2017-18, we have consumed more than 45,000 MT of hazardous and non-hazardous AFR material, achieving a Thermal Substitution Rate of nearly 7%. The Company is also planning investment in additional Waste Heat Recovery System at its acquired facilities to bring down energy consumption.

COMMUNITY AND US

Our Revered Founder, Syt. Madhav Prasadji Birla, firmly believed in the principle of **"From God we receive and to God we offer"**. Thus, giving back to society and the communities we operate in with gratitude, has been an intrinsic element of the MP Birla Group's culture, right from its inception.


Drive for greenery


Wheelchairs for the handicapped




Mushroom cultivation initiative


Daan Utsav at Nicco Park



DAAN UTSAV SAMMAN

Daan Utsav is India's very own festival of giving.
The MP Birla Group is an active participant in this unique initiative to help spread smiles through different joyful activities for the under-privileged. We also sponsor the **Daan Utsav Samman**, to acknowledge contributions of schools and housing societies in the "Joy of Giving Week".



Daan Utsav Samman felicitation

EDUCATION

The MP Birla Group has a long heritage of building and nurturing educational institutions. The MP Birla Foundation Higher Secondary School and the South Point High School in Kolkata, and the schools run by the group in Satna and Chanderia (Chittorgarh) have carried forward this proud tradition. In addition to that, the Group has instituted the prestigious Priyamvada Birla Scholarship to encourage meritorious students from economically weak sections of society to pursue undergraduate studies.




South Point, Kolkata


MP Birla Foundation Higher Secondary School, Kolkata


Recipients of the Priyamvada Birla Scholarship


Priyamvada Birla Scholarship - taking education forward

HEALTHCARE

Providing quality healthcare at affordable costs has always been at the heart of the MP Birla Group.

Bombay Hospitals in Mumbai and Indore, Belle Vue Clinic and Priyamvada Birla Aravind Eye Hospital in Kolkata, and the MP Birla Hospital & Priyamvada Birla Cancer Research Institute at Satna are prime examples of best-in-class medical institutions where 'trust meets care". The most recent addition to the healthcare ventures of the Group is the MP Birla Hospital and Research Centre in Chittorgarh, which was dedicated to the public in 2018. Equipped with state-of-the-art facilities, and a committed team of the finest healthcare professionals, the hospital promises to meet the long-standing need of advanced medical care in the region. Its highly qualified and trained specialist physicians and surgeons, supported by top-class modular OTs, 24x7 Emergency, trauma, critical care and neo-natal units, will make Chittorgarh a centre of medical excellence in the days to come.



MP Birla Hospital, Chittorgarh


MP Birla Hospital,
Chittorgarh - Doctor's chamber


MP Birla Hospital,
Chittorgarh - Lobby area


Pathological Unit
Chittorgarh Hospital


ICCU, Chittorgarh Hospital

MP BIRLA PLANETARIUM

While many aim for the stars, the MP Birla Group endeavours to bring constellations closer at hand. For over five decades, the Group has been conjuring galaxies on the darkened dome of the MP Birla Planetarium. Established in 1962, the planetarium has been renovated after 52 years of successful operation. Now, the night sky is more dazzling than it ever was, thanks to the Carl Zeiss Hybrid Projection System. Complete with an opto-mechanical projector, and nine other hybrid resolution digital projectors, the planetarium offers an immersive experience of the cosmos. Well-complemented by an exhibition gallery, a refurbished seminar hall and an Astro-Corner, the MP Birla Planetarium looms large as the first public planetarium in Asia.









NOTICE

To the Shareholders

NOTICE is hereby given that the Ninety-Eighth 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 Friday, the 20th day of July, 2018 at 10.30 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt :

   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors and Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Auditors thereon.

2. To declare dividend on Ordinary Shares for the financial year ended 31st March, 2018.

3. To appoint a director in place of Shri Pracheta Majumdar (DIN: 00179118), Wholetime Director designated as Chief Management Advisor, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

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

   "RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory amendment(s) or re-enactment thereof for the time being in force) Shri Dilip Ganesh Karnik (DIN: 06419513), who was appointed as an Additional Director of the Company under Section 161(1) of the Act and Article 138 of the Articles of Association of the Company and who holds office as such up to the date of this Annual General Meeting and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

   "RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the members be and is hereby accorded to the re-appointment of Shri Pracheta Majumdar (DIN: 00179118) as the Wholetime Director designated as the Chief Management Advisor of the Company, for a period of 3 (three) years with effect from 20th May, 2018, liable to retire by rotation, on the terms and conditions including remuneration as set out in the draft agreement to be entered into by the Company with him and placed before the meeting for approval with further authority to the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment and/or agreement in such manner as may be agreed between the Board and Shri Pracheta Majumdar provided that the total remuneration payable to Shri Pracheta Majumdar shall not exceed the limit specified under the Companies Act, 2013 and Schedules appended thereto as amended from time to time."

   "RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

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

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Vikram Swarup (DIN: 00163543), who was appointed as an Independent Director

and who holds office as an Independent Director up to 31st March, 2019 and being eligible for re-appointment and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 1st April, 2019."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Anand Bordia (DIN: 00679165), who was appointed as an Independent Director and who holds office as an Independent Director up to 31st March, 2019 and being eligible for re-appointment and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 1st April, 2019."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Brij Behari Tandon (DIN: 00740511), who was appointed as an Independent Director and who holds office as an Independent Director up to 31st March, 2019 and being eligible for re-appointment and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 1st April, 2019."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Dhruba Narayan Ghosh (DIN: 00012608), who was appointed as an Independent Director and who holds office as an Independent Director up to 31st March, 2019 and being eligible for re-appointment and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 1st April, 2019."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules framed thereunder read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Deepak Nayyar (DIN: 00348529), who was appointed as an Independent Director and who holds office as an Independent Director up to 31st March, 2019 and being eligible for re-appointment and in respect of

whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years i.e. with effect from 1st April, 2019."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

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

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 4,00,000 Lakh (Rupees four lakh only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses, to be paid to M/s. Shome & Banerjee, (Firm Registration No.00001), Cost Auditors of the Company, for the Financial Year 2018-19 as approved by the Board of Directors of the Company, at its Meeting held on 16th May, 2018, be and is hereby ratified and confirmed."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Registered Office :
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata-700 001
CIN: L01132WB1919PLC003334

Dated, the 11th June, 2018
Place : Kolkata

By Order of the Board

Girish Sharma
Jt. President (Indirect Taxes)
& Company Secretary

NOTES :

(01) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**

(02) **A person shall not act as Proxy for more than Fifty (50) members and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights, may appoint a single person as Proxy and such person shall not act as Proxy for any other member. A Proxy Form is annexed to this Notice.**

(03) Attendance Slip, Proxy Form and the Route Map of the venue of the meeting are annexed herewith.

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

(05) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

(06) The Register of Members and the Share Transfer Books of the Company will remain closed from 14th July, 2018 to 20th July, 2018 (both days inclusive).

(07) Dividend on Ordinary Shares, when approved at the Meeting, will be paid to those members –

(a) whose names appear as Beneficial Owners as at the end of business hours on 13th July, 2018, 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 13th July, 2018.

(08) The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 4 to 11 which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details of the Directors seeking appointment/ re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is also annexed as **Annexure-'A'** to the Notice.

(09) The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 31st July, 2017.

(10) Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent (RTA), M/s. MCS Share Transfer Agent Limited, 12/1/5, Monohar Pukur Road, Kolkata – 700 026, quoting their folio number, any change in their registered address along with a copy of any one of the address proofs i.e. Voter Identity Card, Aadhaar Card, Electric / Telephone Bill, Driving Licence, Passport or Bank Statement and for change in bank details along with cancelled Cheque and in case the shares are held in dematerialised form, this information should be passed on to their respective Depository Participants.

(11) Shareholders who have not so far encashed their Dividend Warrants for the accounting years ended 31st March, 2011, 2012, 2013, 2014, 2015, 2016 and 2017 and Interim Dividend Warrants for accounting year ended 31st March, 2011, 2012 and 2013 may immediately approach the Company for revalidation of unclaimed Dividend Warrants.

(12) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The details of the unpaid/ unclaimed amounts lying with the Company as on 31st July, 2017 (date of last Annual General Meeting) are available on the website of the Company (www.birlacorporation.com) and on Ministry of Corporate Affairs' website.

(13) Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), all Shares in respect of which Dividend has not been paid or claimed by the Members for seven (7) consecutive years or more would be transferred to the demat account of IEPF Authority. In terms of the aforesaid provisions, during the financial year 2017-18, the Company has transferred all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 31st October, 2017 and 1st December, 2017. Details of shares transferred to the IEPF Authority are uploaded on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(14) The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html. In case the Members have any query on the subject matter and the IEPF Rules, they may contact the RTA of the Company.

(15) SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

(16) The Company and the RTA has been mandated by SEBI to maintain copy of the Permanent Account Number (PAN) and the Bank Account details of all the Members. Members who has not yet submitted are, therefore, requested to submit their self-attested PAN and original cancelled cheque leaf/attested bank passbook showing name of the Account Holder to the Company/RTA.

(17) Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all companies mandatorily have 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.

(18) Electronic copies of the Annual Report are being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

(19) Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 98th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this Meeting and the Annual Report will also be available on Company's website www.birlacorporation.com for their download.

(20) As per the provisions of the Companies Act, 2013 the facility for making/varying/ canceling nominations is available to individuals, holding shares in the Company. Nominations can be made in Form SH.13 and any variation /cancellation thereof can be made by giving notice in Form SH.14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Registrar and Share Transfer Agent/Company.

(21) As required by the 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 Agent while sending the shares held in physical form for transfer, transmission, transposition and deletion of name of the deceased shareholder(s).

(22) **Members holding shares in physical form who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically. However, where the shares are held by the members in dematerialized form, the same has to be communicated to his/her Depository Participant for the purpose of receiving any of the aforesaid documents in electronic form.**

(23) Shareholders/Proxy holders are requested to carry valid ID proof such as PAN, Voter Card, Passport, Driving Licence, Aadhaar Card etc. along with the printed attendance slip.

(24) **Voting through electronic means**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be considered at the Meeting by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right at the Meeting through Polling Paper.

III. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Tuesday, 17th July, 2018 (9:00 a.m.) and ends on Thursday, 19th July, 2018 (5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 13th July, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. Members desiring to vote through remote e-voting may refer to the following steps :

Step 1 : Log-in to NSDL e-Voting system at *https://www.evoting.nsdl.com/*

Step 2 : Cast your vote electronically on NSDL e-Voting system.

A. Details on Step 1 are mentioned below:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:***https://www.evoting.nsdl.com/*** either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon ***"Login"*** which is available under ***'Shareholders'*** section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID *For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.*
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID *For example if your Beneficiary ID is 12********** then your user ID is 12***********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company *For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001****

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'.

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, your 'initial password' is provided at the bottom of the Attendance Slip for the Meeting.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password :

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "***Login***" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

B. Details on Step 2 is given below :

1. After successful login at Step 1, you will be able to see the Home page of **e-Voting**. Click on *e-Voting*. Then, click on ***Active Voting Cycles*****.**

2. After click on Active Voting Cycles, you will be able to see all the companies ***"EVEN"*** in which you are holding shares and whose voting cycle is in active status.
3. Select ***"EVEN"*** of ***"Birla Corporation Limited".***
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on ***"Submit"*** and also ***"Confirm"*** when prompted.
6. Upon confirmation, the message ***"Vote cast successfully"*** will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evotingam@gmail.com with a copy marked to evoting@nsdl.co.in.

VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting Website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

IX. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

X. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th July, 2018. Any person who is not a member as on the said cut-off date should treat this Notice for information purpose only.

XI. Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 13th July, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or mcssta@rediffmail.com

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting through Polling Paper.

XIII. Shri Anil Murarka (Membership No. F3150, C.P No. 1857), LL.B., Company Secretary in Wholetime Practice has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.birlacorporation.com and on the website of NSDL within 2 (two) days of passing of the resolutions at the Meeting of the Company and communicated to the Stock Exchanges.

(25) Statutory Registers and documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Corporate Office of the Company during business hours between 10 A.M. to 12 Noon on any working day excluding Saturday and Sunday prior to the date of the Meeting and will also be available for inspection during the Meeting.

Green Initiative of the Ministry of Corporate Affairs

Members are requested to support the "Green Initiatives" by registering their E-mail ID with the Company, if not already done.

Those members who have changed their E-mail ID are requested to register their new E-mail ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Members holding shares in physical mode are also requested to register their E-mail ID with our Registrar & Share Transfer Agent – M/s. MCS Share Transfer Agent Limited, 12/1/5, Monohar Pukur Road, Kolkata – 700 026, **E-mail ID: mcssta@rediffmail.com**. Such registration of E-mail ID 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**.

Statement Pursuant to Section 102 of the Companies Act, 2013

Item of Special Business :

Item No.4

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Shri Dilip Ganesh Karnik (DIN: 06419513), as an Additional Director (Category – Non- Independent Non-Executive) of the Company with effect from 11th November, 2017, in terms of Section 161 of the Companies Act, 2013 and he holds office upto the date of the 98th Annual General Meeting of the Company.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Dilip Ganesh Karnik for the office of Director of the Company.

The Company has also received the consent in writing from Shri Dilip Ganesh Karnik to act as a Director of the Company and a declaration under Section 164 of the Companies Act, 2013 to the effect that he is not disqualified from being appointed as a Director.

A brief profile of Shri Dilip Ganesh Karnik, including nature of his expertise and shareholding in the Company, etc. is annexed as Annexure-'A' to the Notice.

Shri Dilip Ganesh Karnik and his relatives may be deemed to be interested in the resolution as set out at Item No. 4 of the Notice.

Save and except above, none of the other Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the Notice.

The Board of Directors, therefore, recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5

Shri Pracheta Majumdar was appointed as the Wholetime Director designated as Chief Management Advisor of the Company for a period of 5 (five) years by the Board of Directors in its meeting held on 20th May, 2013 which was subsequently approved by the Members of the Company.

In view of the rich, wide and varied experience Shri Majumdar holds in diverse fields and his valuable contributions in the operations and management of the Company and to avail his Professional and Advisory Services in various strategic and operational matters of the Company, the Board of Directors at its Meeting held on 16th May, 2018 based on the recommendation of the Nomination and Remuneration Committee had re-appointed Shri Pracheta Majumdar as Wholetime Director designated as Chief Management Advisor (hereinafter called 'the Wholetime Director'), for a further period of 3 years w.e.f. 20th May, 2018 subject to the approval of the shareholders of the Company at the Annual General Meeting and other required approvals, if any, on the terms and conditions including remuneration (duly approved by the Nomination and Remuneration Committee) as incorporated in the draft agreement to be entered into between the Company and Shri Majumdar.

A brief profile of Shri Pracheta Majumdar, including nature of his expertise and shareholding in the Company, etc. is annexed as Annexure-'A' to the Notice.

The brief terms and conditions of the draft agreement are as set out hereinbelow :

1. **Period of Appointment** : 20th May, 2018 to 19th May, 2021
2. **Remuneration** :
   - 2.1 Consolidated remuneration of ₹105 Lakh (Rupees one hundred five lakh only) per annum, with an authority to the Board to review the same from time to time as it may deem fit. The increase in remuneration will take effect from 1st day of April every year.
   - 2.2 **Performance Linked Bonus :** Such amount as may be determined by the Board, for each financial year.
   - 2.3 **Car :** Free use of Company's Car for Company's work as well as for personal purposes along with driver.
   - 2.4 **Telephone :** Telephone at Company's cost.
   - 2.5 **Other Terms and Conditions :**
     - i) The Wholetime Director so long as he functions as such shall not be paid any sitting fees for attending the meeting of Board or Committees thereof.
     - ii) The re-appointment may be terminated by the Company or by Shri Pracheta Majumdar by giving not less than three months' prior notice in writing.

iii) Shri Pracheta Majumdar shall be subject to retirement by rotation during his tenure, as Wholetime Director.

iv) Group Mediclaim Insurance Policy for self and family in accordance with the Rules of the Company.

v) No other allowances, benefits, perquisites, including P.F., Superannuation, Leave entitlement, Gratuity etc. would be applicable.

2.6 **Minimum Remuneration :** Notwithstanding the above, where in any financial year during the currency of tenure of the Wholetime Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary not exceeding the overall limit prescribed in Schedule V and other applicable provisions of the Companies Act, 2013, or any amendment thereof as minimum remuneration.

3. The Wholetime Director will also be entitled :

i) to reimbursement of entertainment expenses actually incurred in the course of legitimate business of the Company;

ii) to reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively for the business of the Company in accordance with the Rules & Regulations of the Company in force from time to time or as approved by the Board of Directors.

4. The Wholetime Director shall devote such time and attention to the business and affairs of the Company and carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors from time to time.

A copy of the draft agreement to be entered into by the Company with Shri Pracheta Majumdar containing the terms and conditions of re-appointment and remuneration payable to him and copy of the resolutions passed by the Board of Directors on 16th May, 2018 would be available for inspection by any member of the Company at the Registered Office and Corporate Office between 10 A.M. to 12 Noon on any working day excluding Saturday and Sunday prior to the date of the Meeting and will also be available for inspection during the Meeting.

Shri Pracheta Majumdar has attained the age of 73 years and accordingly, approval of the members is sought for passing a Special Resolution pursuant to the provisions of Section 196(3)(a) of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Pracheta Majumdar under Section 190 of the Companies Act, 2013.

Shri Pracheta Majumdar and his relatives may be deemed to be interested in the resolution as set out at Item No.5 of the Notice.

Save and except above, none of the other Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of the Notice.

The Board of Directors, therefore, recommends the Special Resolution as set out at Item No.5 of the Notice for approval by the Members.

Item Nos. 6 to 10

Shri Vikram Swarup (DIN: 00163543) , Shri Anand Bordia (DIN: 00679165), Shri Brij Behari Tandon (DIN: 00740511), Shri Dhruba Narayan Ghosh (DIN: 00012608) and Dr. Deepak Nayyar (DIN: 00348529) were appointed as the Independent Directors of the Company pursuant to Section 149 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of the erstwhile Listing Agreement with the Stock Exchanges, to hold office for a term of five (5) consecutive years w.e.f. 1st April, 2014 till 31st March, 2019.

The Board of Directors in its meeting held on 16th May, 2018, noted that the above Directors are highly renowned professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board's decision making process. The Company and the Board has immensely benefitted from their vast experience, knowledge and strategic insights on various matters relating to the Company's business. Considering the enormous contribution of the Directors to the functioning and performance of the Company the Board felt that it will be in the interest of the Company to re-appoint them as Independent Directors.

The Board of Directors of the Company on the basis of the report of performance evaluation and the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar as Independent Directors of the Company not liable to retire by rotation, for a second term of 5 (five) consecutive years i.e. w.e.f. 1st April, 2019.

Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar have given their consent to act as Independent Directors of the Company and have furnished necessary declarations to the Board of Directors that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declarations received by the Company,

Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar are not disqualified to be re-appointed as Directors under Section 164 of the Companies Act, 2013.

The Company has received notices in writing from members under Section 160 of the Companies Act, 2013 proposing the candidature of each of Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar, for the office of director of the Company.

In the opinion of the Board, Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as Independent Directors.

A brief profile of the aforesaid Independent Director proposed to be re-appointed including nature of their expertise and shareholdings in the Company, etc. are annexed as Annexure-'A' to the Notice.

Copy of the draft letters of re-appointment to be issued to Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar upon their re-appointment as Independent Directors of the Company setting out the terms and conditions of re-appointment would be available for inspection by any Member at the Registered Office and Corporate Office between 10 A.M. to 12 Noon on any working day excluding Saturday and Sunday prior to the date of the Meeting and will also be available for inspection during the Meeting.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. The above provisions shall be effective from 1st April, 2019.

The aforesaid Independent Directors have attained/ or shall attain the age of seventy five years during their term of re-appointment. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment/ continuation of office of Independent Directors above the age of seventy five years pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives except Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh and Dr. Deepak Nayyar and their relatives with regard to their respective re-appointment are, in any way, concerned or interested, whether financially or otherwise, in the resolutions as set out at Item Nos. 6, 7, 8, 9, and 10 of the Notice.

The Board of Directors, therefore, recommends the Resolutions as set out at Item Nos. 6, 7, 8, 9, and 10 to be passed as Special Resolutions by the Members.

Item No. 11

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 16th May, 2018, has considered and approved the appointment M/s. Shome & Banerjee, (Firm Registration No.00001) as the Cost Auditors of the Company for the Financial Year 2018-19 for the following products at a total remuneration of ₹ 4,00,000/- (Rupees four lakh only) per annum plus tax as applicable and reimbursement of travelling and incidental expenses :

1. Cement – ₹ 2,50,000/- (Rupees two lakh fifty thousand only) per annum
2. Jute Goods - ₹ 1,25,000/- (Rupees one lakh twenty five thousand only) per annum
3. Steel - ₹ 25,000/- (Rupees twenty five thousand only) per annum

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 11 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2018-19.

None of the Directors / Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 11 of the Notice.

Your Directors, therefore, recommend the Ordinary Resolution as set out at Item No.11 of the Notice for your approval.

Registered Office :
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata-700 001
CIN: L01132WB1919PLC003334

Dated, the 11th June, 2018
Place : Kolkata

By Order of the Board

Girish Sharma
Jt. President (Indirect Taxes)
& Company Secretary

ANNEXURE - 'A'

ANNEXURE TO ITEM NOS. 3 TO 10 OF THE NOTICE

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [in pursuance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

(As on 31st March, 2018)

	01	02	03
Name of the Director	**Shri Dilip Ganesh Karnik**	**Shri Pracheta Majumdar**	**Shri Vikram Swarup**
Date of Birth and Age	10.05.1950 (68 years)	15.08.1944 (73 years)	16.09.1948 (69 years)
Nationality	Indian	Indian	Indian
Date of first appointment on the Board of Directors of the Company	11.11.2017	28.10.2003	28.04.2004
Qualifications	Completed Bachelor of Science from University of Pune in the year 1969 and is also a Gold medalist in Law from University of Pune.	Mechanical Engineer	Mechanical Engineer
Experience (including nature of expertise in specific functional areas)/ Brief Resume	He was a practicing advocate and Judge of Hon'ble Bombay High Court. He has a vast experience as an Arbitrator and Legal Consultant (Advisor in Commercial, Corporate, Property and Family Laws and Arbitrator in Commercial, Property and Family Disputes).	Wide experience in the fields of design and project management of Chemicals, Petrochemical and Fertilizer Plants and other Management functions.	Wide experience in Marketing, Engineering and other General Management functions.
Number of shares held in the Company	500	500*	500*
List of directorships held in other companies	1. Universal Cables Limited 2. Vindhya Telelinks Limited 3. ICICI Prudential Life Insurance Company Limited 4. ICICI Securities Primary Dealership Limited 5. ICICI Prudential Asset Management Company Limited	1. Vindhya Telelinks Limited 2. Reliance Cement Company Private Limited 3. East India Investment Co. Pvt. Ltd.	1. Paharpur Cooling Towers Ltd. (Managing Director) 2. Vikram Solar Limited 3. Okhla Chemicals Ltd. 4. Reliance Cement Company Private Limited 5. Melvin Powell Vanaspati & Engineering Industries Ltd. 6. Paharpur Pragnya Tech Park Pvt. Ltd. 7. Paharpur Realty Pvt. Ltd. 8. Paharpur Industries Ltd. 9. Doypack Systems Private Limited 10. Selecto Pac Private Limited 11. Garima Private Limited 12. Thyssenkrupp Industries India Private Limited
Chairman/Member of the Committees of the Boards of the companies in which he is Director	**Chairman** *Nomination and Remuneration Committee and Corporate Social Responsibility Committee–* ICICI Securities Primary Dealership Limited **Member** *Audit Committee –* ICICI Securities Primary Dealership Limited ICICI Prudential Asset Management Company Limited *Risk Management Committee-* ICICI Prudential Asset Management Company Limited *Risk Management & I.T. Strategy Committee-* ICICI Securities Primary Dealership Limited *Corporate Social Responsibility Committee-* ICICI Prudential Life Insurance Company Limited *Customer Service & Policy Holders Protection Committee-* ICICI Prudential Life Insurance Company Limited	**Member** *Audit Committee –* Vindhya Telelinks Limited Reliance Cement Company Private Limited *Stakeholders Relationship Committee-* Birla Corporation Limited *Committee of Directors-* Birla Corporation Limited	**Chairman** *Audit Committee –* Birla Corporation Limited Reliance Cement Company Pvt. Ltd. *Management Committee -* Paharpur Cooling Towers Limited *Nomination and Remuneration Committee-* Birla Corporation Limited Vikram Solar Limited Reliance Cement Company Pvt. Ltd. **Member** *Audit Committee -* Vikram Solar Limited *Stakeholders Relationship Committee-* Birla Corporation Limited *Corporate Social Responsibility Committee-* Birla Corporation Limited Vikram Solar Limited Reliance Cement Company Pvt. Ltd. Paharpur Cooling Towers Limited *Committee of Directors-* Birla Corporation Limited Reliance Cement Company Pvt. Ltd. *Investment Committee-* Paharpur Cooling Towers Limited

ANNEXURE TO ITEM NOS. 3 TO 10 OF THE NOTICE (Contd.)

	01	02	03
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	None
Number of meetings of the Board attended during the year 2017-18 [Out of 4 (Four) held]	Nil	3	4
Number of ESOPs granted	Nil	Nil	Nil
Terms and conditions of Appointment/Re-appointment	Liable to retire by rotation	As per the resolution at item no. 5 of the Notice convening this Meeting read with the Statement annexed thereto.	Not Liable to retire by rotation
Details of Remuneration sought to be paid	Entitled to Sitting Fees for attending meeting of the Board and the Committees thereof as fixed/may be fixed by the Board of Directors of the Company from time to time.	As per the resolution at item no. 5 of the Notice convening this Meeting read with the Statement annexed thereto.	Entitled to Sitting Fees for attending meeting of the Board and the Committees thereof as fixed/may be fixed by the Board of Directors of the Company from time to time.
Remuneration last drawn (including sitting fees, if any)	The details of the Remuneration paid to the Directors during the financial year 2017- 18 are provided in the Report on Corporate Governance.		

NOTE: * Shares held jointly with other shareholder.

	04	05	06	07
Name of the Director	**Shri Anand Bordia**	**Shri Brij Behari Tandon**	**Shri Dhruba Narayan Ghosh**	**Dr. Deepak Nayyar**
Date of Birth and Age	10.09.1944 (73 years)	30.06.1941 (76 years)	06.08.1928 (89 years)	26.09.1946 (71 years)
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board of Directors of the Company	31.07.2006	30.05.2007	31.10.2007	22.04.2010
Qualifications	M.A.	I.A.S.	M.A. - Economics	Phd.- Economics M.A. - Economics
Experience (including nature of expertise in specific functional areas)/ Brief Resume	Wide experience in diverse fields and has served various government departments in senior levels. He served as First Secretary, Trade, High Commission of India, London. He also worked in the Secretariat of the World Customs Organisation, Brussels, Belgium for 7 years.	Has held various senior positions with Central Government and retired as Chief Election Commissioner	Former Chairman of State Bank of India and various other reputed companies. Served various Central and State Government Departments in various capacities such as Financial Advisor, Additional Secretary and Secretary.	An eminent economist and a Professor of Economics at Jawaharlal Nehru University, New Delhi. He has also taught at the Universities of Oxford & Sussex, and the IIM Calcutta and the New School of Social Research, New York. A Rhodes Scholar, he was Vice-Chancellor of Delhi University, Member of the National Knowledge Commission and Chief Economic Advisor to the Government of India and Finance Secretary.
Number of shares held in the Company	500*	500*	500*	500*
List of directorships held in other companies	1. Roto Pumps Ltd. 2. G R Infraprojects Limited	1. Filatex India Ltd 2. Oriental Carbon & Chemicals Ltd. 3. Duncan Engineering Limited 4. Jaiprakash Power Ventures Ltd. 5. Jaypee Infratech Ltd. 6. Jinbhuvish Power Generations Private Limited 7. Ambience Private Limited 8. Bhushan Steel Ltd. 9. Exicom Tele-Systems Ltd. 10. Extramarks Education Foundation	1. Peerless Hospitex Hospital & Research Centre Ltd. 2. Housing Development Finance Corporation Ltd.	1. The Press Trust of India Limited

ANNEXURE TO ITEM NOS. 3 TO 10 OF THE NOTICE (Contd.)

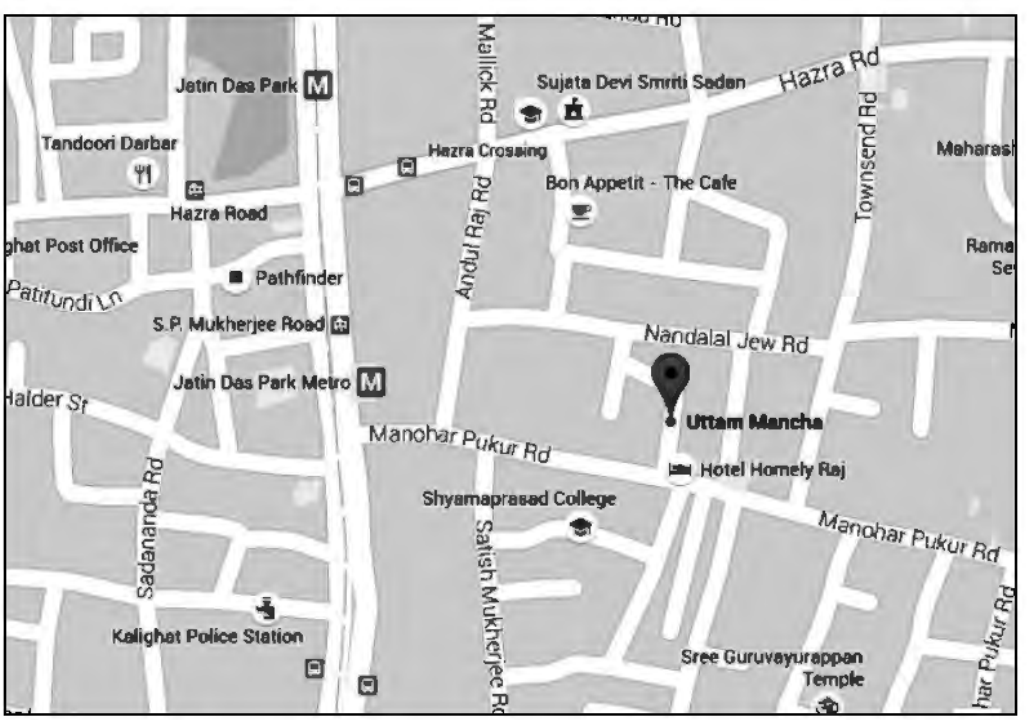
	04	05	06	07
Chairman/Member of the Committees of the Boards of the companies in which he is Director	**Chairman** *Audit Committee –* G R Infraprojects Limited **Member** *Audit Committee –* Birla Corporation Limited Roto Pumps Ltd. *Nomination and Remuneration Committee-* Birla Corporation Limited G R Infraprojects Limited Roto Pumps Ltd.	**Chairman** *Audit Committee –* Jaiprakash Power Ventures Ltd. Bhushan Steel Ltd. *Nomination and Remuneration Committee –* Jaypee Infratech Limited *Committee of Directors (for restructuring)–* Jaiprakash Power Ventures Ltd. *Committee of Directors (for fund raising)–* Jaiprakash Power Ventures Ltd. *Fund Raising Committee-* Jaypee Infratech Limited *Corporate Social Responsibility Committee-* Jaiprakash Power Ventures Ltd. Jaypee Infratech Limited Exicom Tele-Systems Limited *Stakeholders Relationship Committee-* Jaiprakash Power Ventures Ltd. **Member** *Audit Committee –* Birla Corporation Limited Oriental Carbon & Chemicals Ltd. Duncan Engineering Limited Exicom Tele-Systems Limited Filatex India Ltd. *Corporate Social Responsibility Committee –* Birla Corporation Limited Bhushan Steel Ltd. Ambience Private Limited Filatex India Ltd. *Finance Committee –* Jaypee Infratech Ltd. *Shareholders' Investors Grievances Committee –* Ambience Private Limited *Nomination and Remuneration Committee–* Birla Corporation Limited Bhushan Steel Ltd. Oriental Carbon & Chemicals Ltd. Duncan Engineering Limited Exicom Tele-Systems Ltd. Filatex India Ltd.	**Member** *Audit Committee –* Housing Development Finance Corporation Ltd. *Corporate Social Responsibility Committee-* Birla Corporation Limited Housing Development Finance Corporation Ltd.	**Member** *Audit Committee -* Birla Corporation Limited The Press Trust of India Ltd. *Nomination and Remuneration Committee –* Birla Corporation Limited *Corporate Social Responsibility Committee -* The Press Trust of India Ltd.

ANNEXURE TO ITEM NOS. 3 TO 10 OF THE NOTICE (Contd.)

	04	05	06	07
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	None	None
Number of meetings of the Board attended during the year 2017-18 [Out of 4 (Four) held]	2	4	4	3
Number of ESOPs granted	Nil	Nil	Nil	Nil
Terms and conditions of Appointment/Re-appointment	Not Liable to retire by rotation	Not Liable to retire by rotation	Not Liable to retire by rotation	Not Liable to retire by rotation
Details of Remuneration sought to be paid	The Directors are entitled to Sitting Fees for attending meeting of the Board and the Committees thereof as fixed/may be fixed by the Board of Directors of the Company from time to time.			
Remuneration last drawn (including sitting fees, if any)	The details of the Remuneration paid to the Directors during the financial year 2017- 18 are provided in the Report on Corporate Governance.			

NOTE: * Shares held jointly with other shareholder.

ROAD MAP TO THE AGM VENUE



Kalpataru Uttam Mancha
10/1/1, Monohar Pukur Road
Kolkata - 700 026

FINANCIAL HIGHLIGHTS

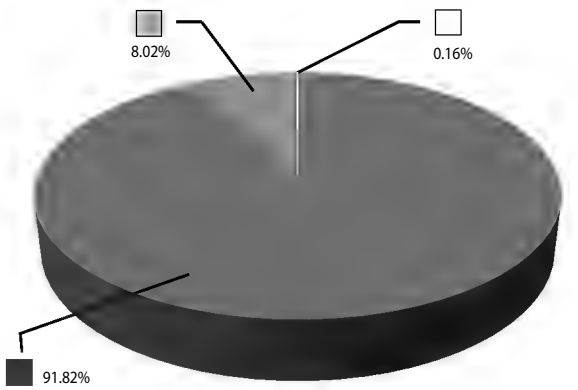
(₹ in lacs)

	As per IND AS			As per Indian GAAP					
	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2006-07
OPERATING RESULTS									
Revenue from Operations	**386543**	**384102**	**376159**	**369217**	**347792**	**299434**	**259682**	**243681**	**179451**
Surplus before Depreciation, Finance Cost & Tax Expenses (EBITDA)	**42147**	51576	46309	45755	38138	51995	47856	55502	51992
Finance Cost	**16521**	13923	8226	7837	8559	6486	5251	5263	1853
Surplus after Finance Cost but before Depreciation & Amortisation & Exceptional Items	**25626**	**37653**	**38083**	**37918**	**29579**	**45509**	**42605**	**50239**	**50139**
Depreciation and Amortisation	**14605**	14719	14847	15346	13258	10439	8000	6483	3965
Exceptional Items	**1248**	682	3149	1284	1093	–	–	–	–
Income /Deferred Tax/ Income Tax Refund (Net)	**(1740)**	852	3318	3744	2252	8088	10684	11768	13551
Net Profit	**11513**	21400	16768	17544	12976	26982	23921	31988	32623
Dividend Payout	**6024**	5561	5561	5561	5406	6292	5370	5377	3153
Dividend Percentage	**65.00**	60.00	60.00	60.00	60.00	70.00	60.00	60.00	35.00
Retained Earning during the year	**5489**	**15839**	**11207**	**11983**	**7570**	**20690**	**18551**	**26611**	**29470**
ASSETS & LIABILITIES									
Fixed Assets:									
Gross Block	**359033**	236800	224084	327139	307691	290887	271073	220945	116151
Net Block	**314920**	207285	209253	204527	200652	196140	186216	143393	52630
Other Assets	**451623**	434436	313588	294599	286060	256409	219745	216911	85525
Total Assets	**766543**	**641721**	**522841**	**499126**	**486712**	**452549**	**405961**	**360304**	**138155**
Represented by :									
Share Capital	**7701**	7701	7701	7701	7701	7701	7701	7701	7701
Other Equity /Reserves & Surplus	**405144***	309712	284836	254710	244907	237305	216637	198091	58880
Net Worth	**412845**	**317413**	**292537**	**262411**	**252608**	**245006**	**224338**	**205792**	**66581**
Borrowings	**188124**	195096	128125	130218	140130	122605	113540	93769	28265
Other Liabilities & Provisions	**165574**	129212	102179	106497	93974	84938	68083	60743	43309
Total Equity & Liabilities	**766543**	**641721**	**522841**	**499126**	**486712**	**452549**	**405961**	**360304**	**138155**
Key Indicators									
Earning per Ordinary Share (₹)	**14.95**	27.79	21.78	22.78	16.85	35.04	31.06	41.54	42.36
Cash Earning per Ordinary Share (₹) (annualised)	**31.66**	48.01	45.38	48.23	36.99	59.10	41.45	49.96	47.51
Net Worth per Ordinary Share (₹)	**536.10**	412.17	379.87	340.77	328.00	318.17	291.33	267.24	86.46
Debt Equity Ratio (on long–term loans)	**0.56:1**	0.61:1	0.27:1	0.42:1	0.26:1	0.39:1	0.34:1	0.29:1	0.14:1
Current Ratio	**1.79**	2.03	2.86	3.65	2.58	2.21	2.51	2.64	1.18

* Including Revaluation Surplus ₹105456.39 lacs

Statement of Revenue from Operations by Activities
2017-18

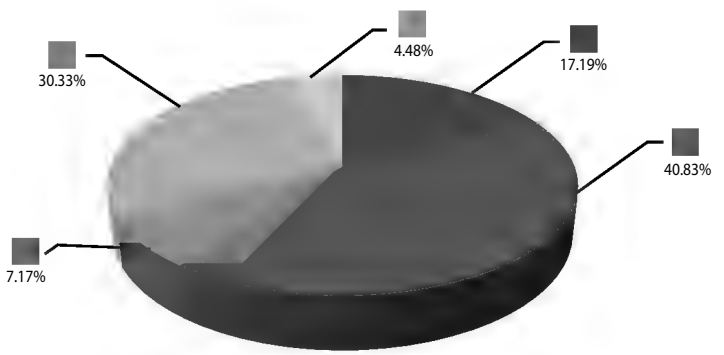
(₹ in Lacs)



Cement	: 354908.50 (91.82%)
Jute	: 31015.10 (8.02%)
Others	: 619.80 (0.16%)

Revenue Distribution
2017-18

(₹ in Lacs)



Raw Materials :	63411.25 (17.19%)
Manufacturing Expenses :	150570.25 (40.83%)
Employees Benefits Expenses :	26451.15 (7.17%)
Selling, Admintration & Other Expenses :	111852.11 (30.33%)
Interest :	16520.82 (4.48%)

DIRECTORS' REPORT & MANAGEMENT DISCUSSION & ANALYSIS

To the Shareholders,

Your Directors have the pleasure in presenting their Annual Report on the business and operations of your Company together with the audited financial statements of the Company and its Subsidiaries for the year ended 31st March, 2018.

FINANCIAL PERFORMANCE

The summarized standalone and consolidated results of your Company and its Subsidiaries are given in the table below:

(₹ in Crores)

Particulars	STANDALONE				CONSOLIDATED*			
	31.03.2018		31.03.2017		31.03.2018		31.03.2017	
Revenue from Operations (Gross)		3865.43		3841.02		5943.11		4981.22
Total Revenue		3944.31		3985.22		6018.60		5127.09
Profit before Finance Costs, Tax, Depreciation, Amortization, Minority Interest and Exceptional items		421.47		515.76		882.12		769.41
Finance Costs		165.21		139.23		377.64		276.79
Profit before Tax, Depreciation, Amortization, Minority Interest and Exceptional items		256.26		376.53		504.48		492.62
Depreciation and Amortization Expense	146.06		147.19		332.16		255.50	
Exceptional items	12.48		6.82		12.48		6.82	
Tax Expense (Net)	(17.40)	141.14	8.52	162.53	5.89	350.53	10.83	273.15
Profit for the year		115.12		214.00		153.95		219.47
Re-measurement of the defined benefit plans (net of tax expenses)		4.83		(6.61)		4.98		(5.99)
Total Surplus during the year		119.95		207.39		158.93		213.48
Surplus as per the last Financial Statements**		358.66		372.71		362.22		370.18
Appropriations :								
Debenture Redemption Reserve		21.42		15.83		21.42		15.83
Dividend paid on Ordinary Shares		50.05		46.20		50.05		46.20
Corporate Dividend Tax on Dividend		10.19		9.41		10.19		9.41
General Reserve		50.00		150.00		50.00		150.00
Net Surplus		**346.95**		**358.66**		**389.49**		**362.22**

*The figures of the subsidiary, Reliance Cement Company Private Limited have been consolidated from the date of its acquisition, i.e. 22.08.2016.

** After adjustment of re-measurement of the defined benefit plans (net of tax expenses).

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 6.50 per share (i.e. 65 %) on 7,70,05,347 Ordinary Shares for the year ended 31st March, 2018 aggregating to ₹ 60.34 crores (including Corporate Dividend Tax of ₹ 10.29 crores) as compared to ₹ 60.24 crores (including Corporate Dividend Tax of ₹ 10.19 crores) in the previous year.

Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy. The Policy is annexed hereto and marked as **"Annexure – A"** forming part of the Directors' Report and is also uploaded on the Company's website at http://www.birlacorporation.com/investors/policies/dividend-distribution-policy.pdf

TRANSFER TO RESERVES

The Company proposes to transfer an amount of ₹ 50 crores to the General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2018 stood at ₹ 77.01 crores. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

FINANCIAL STATEMENTS

The Company has prepared its financial statements as per IND AS requirement for the financial year 2017-18. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2018.

CONSOLIDATED FINANCIAL STATEMENTS :

The Consolidated Financial Statements of the Company are prepared in accordance with relevant IND AS issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this Report.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year 2017-18.

1.1 CEMENT DIVISION

(a) **INDUSTRY STRUCTURE AND DEVELOPMENTS :**

The domestic cement sector is the second largest market globally and accounts for 6.9 per cent of the world's cement output. Cement is indispensable for nation building and has a direct linkage with nation's health and growth. The housing sector is the biggest demand driver of cement, accounting for about 67 per cent of the total consumption in India. The other major consumers of cement include infrastructure at 13 per cent, commercial construction at 11 per cent and industrial construction at 9 per cent.

The GDP growth rate for the year 2017-18 was 6.7% down from 7.1% recorded in the financial year 2016-17. The cumulative index of cement production increased by 6.3% during the financial year 2017-18 over the corresponding previous year, with the bulk of growth reported in the second half of the year. The growth was largely on account of continued support from the Government led infrastructure and construction initiatives. During the year, the Government continued with its focus on rural development, affordable housing, setting up of smart cities, as well as laying thrust on construction of cement concrete roads, highways through its magnum "Bharatmala Project", one of the biggest highway construction project.

Real Estate (Regulation and Development) Act, 2016 (RERA), implemented w.e.f. 1st May, 2017 is expected to bring revolutionary changes in the manner real estate sector functions. It has the potential to make the market disciplined and vibrant which is likely to boost customer confidence in Real Estate Sector.

(b) **REVIEW OF PERFORMANCE :**

Production of the Company :

The details of production of clinker and cement of the Company are as follows :-

	2017-18 (Lakh Ts.)	2016-17 (Lakh Ts.)	Change %
Clinker production	51.00	51.95	(1.83)
Cement production	80.19	78.78	1.79

Production of Reliance Cement Company Private Limited (RCCPL) (wholly owned subsidiary) :

The details of production of clinker and cement of RCCPL are as follows :-

	2017-18 (Lakh Ts.)	Period from 22.08.16-31.03.17 (Lakh Ts.)
Clinker production	29.54	17.05
Cement production	45.10	22.53

Sales :

During the year under review, your Company has registered an increase of about 1.52% in cement sales on standalone basis and 23.02% on consolidated basis. In absolute terms, the sale of cement on standalone basis has increased to 79.48 Lakh tons compared to 78.29 Lakh tons in the previous year.

Reliance Cement Company Private Limited has sold 44.48 lakh tons of cement during the period from 1st April, 2017 to 31st March, 2018.

Power Plant :

The details of power generated at various plants are as under:

Particulars	2017-18 (Lakh Units)	2016-17 (Lakh Units)	Change %
Thermal Power Plant	3672.31	3690.04	(0.48)
WHRS	1004.73	1082.50	(7.18)
Solar Power	27.10	27.18	(0.29)

Integration of RCCPL :

During the year, the Company achieved successful integration of operations of RCCPL, which was acquired by the Company on 22nd August, 2016. Despite a challenging

environment, the Company was able to ramp up volumes and realise enhanced level of energy benefits arising out of the acquisition of the plants of RCCPL. The operations of RCCPL have stabilized and its plants are achieving operating parameters that are among the best in the industry. The planned synergies, expected out of the acquisition, are also getting realized with successful integration of its operations with the Company.

Cost and Profitability :

On the cost front, the Company witnessed significant pressure over the course of the year due to increase in various input costs. These increases were caused largely due to external factors.

Power and fuel costs increased significantly owing to sharp rise in pet coke and coal prices, lower availability of domestic coal on account of priority given to the power sector and restrictions on pet coke use. Transportation cost has also witnessed a sharp increase. Freight costs went up, owing to higher diesel prices and high demand for transport vehicles on account of stronger movement of agricultural products.

The operations were also impacted due to non-availability of railway rakes, as these were diverted for carrying coal to power plants. This disrupted not only supply of coal for the clinkerization plants of the Company but also transportation of clinker to the grinding units and cement to rail-fed destinations, especially in the profitable Central zone markets.

While the Company was able to taper off the effect of such cost increases through a slew of measures, including improvement of efficiencies, ban on pet coke in Rajasthan affected profitability of the units of the Company at Chanderia. The ban, however, was lifted by the end of January 2018. The unit's functioning was also severely impacted by the ban on sand mining in Rajasthan. Further, the continuing suspension of normal mining operations (with blasting) at Chanderia that necessitated sourcing part of the limestone requirement from third parties at significantly higher prices affected its performance.

The Company continues to evolve strategies and optimize operations for improvement in efficiencies across the functions with special emphasis on increasing ratio of cement sales in premium category, enhancing proportion of sales in trade segment, optimizing the use of additives in the cement which increase the blended cement ratio and use of alternate fuels.

The Company also continues to focus on cost reduction across the entire spectrum of its plants, procurement, sales, marketing and logistics operations and overheads, including man power, to improve profitability. In this regard, special emphasis is being given to improve the profitability of Chanderia operations.

Cement Demand and Prices :

The Demand in Uttar Pradesh, which contributes bulk of the Group's cement sales in Central India, was heavily impacted during the first nine months of the year due to prolonged scarcity of sand and aggregates.

Prices in North India remained subdued and sharp increase in road freight and fuel prices put pressure on margins. This was partly compensated by the performance in Eastern Markets, which witnessed an upswing in demand. The business benefitted from the increased share of premium products in the portfolio and substantially improved both volume and value share in the important market of Bihar through better distribution and price management. With easing of the sand and aggregates availability in Uttar Pradesh there has been a sharp increase in demand that was reflected in better price realization in the market.

Marketing Initiatives :

This was a period of consolidation for MP Birla Cement with a view to maximizing the synergies from the acquired Reliance RCCPL manufacturing, marketing and distribution of assets.

During the year, the MP Birla Cement "master brand" was forcefully established in the market with a powerful multimedia campaign, "Cement se Ghar tak", and a new brand architecture was developed for the product brands.

MP Birla Cement has a portfolio of nine brands positioned at different price points and geographies that allows us to follow a segmented marketing strategy, which has emerged as a major competitive advantage over our peer group in the industry.

More than 30% of the MP Birla Cement sales and turnover is contributed by Premium Brands. MP Birla Cement **UNIQUE** has created a niche for itself as a speciality Portland Slag Cement (PSC) in Eastern India, preferred by discerning customers. MP Birla Cement **ULTIMATE**, the premium PPC brand, has been steadily gaining popularity in the UP market, while MP Birla Cement **PERFECT** has been making steady progress across central India. Now the launch of **ULTIMATE Ultra** and **PERFECT Plus** will further up-trade the premium portfolio.

Following a seamless integration of the sales operations and smooth transition of the RCCPL brands to the MP Birla Cement umbrella the focus turned to cross-branding at the acquired RCCPL manufacturing facilities. This led to enlarging the footprint of the MP Birla heritage brands (**Samrat** and **Chetak**) into the high growth markets of Madhya Pradesh, Maharashtra (Vidarbha) and Uttar Pradesh.

On-site technical support to customers is not only a strong pillar of the MP Birla Cement marketing strategy but also a brand promise. To improve the speed and quality of service support, MP Birla Cement has merged the Technical Services teams of RCCPL and BCL into an integrated function and introduced several innovations like "Engineers on Wheels".

MP Birla Cement's Customer Relationship Management (CRM) programme, Club Ultimate, has gained popularity among channel partners with thoughtful schemes engaging members of their extended families.

Going forward, the Company is looking at increased use of digital platforms and analytics in marketing to drive growth.

Mining operations at Chanderia :

The Mining Operations (through blasting) at the Chanderia plant had been suspended since August, 2011 owing to the Order of Jodhpur High Court (Rajasthan), which was challenged by the Company before Hon'ble Supreme Court. As a partial relief, the Supreme Court had allowed mining operations beyond 2 kilometers from the Chittorgarh Fort by using heavy earth moving machinery. The Hon'ble Supreme Court had further directed Central Building Research Institute (CBRI) to submit a report after comprehensive study of all relevant aspects and facets relating to full-scale mining operations and its impact, if any, on the Chittorgarh Fort. The report of CBRI has concluded that vibrations and air pressures induced by mine of Birla Cement Works and adjoining mines are well within safe limits as per national and international standards and there is no damage to the Fort due to the mining operations. The Company has filed an Interim Application seeking Interim Relief for blasting at the existing working pit. The matter is in the final stage of hearing.

In the meanwhile, with a view to increase the mining capacity by mechanical means, the Company has installed additional equipments.

(c) **THREATS, RISKS AND CONCERNS :**

Cement companies are likely to face pressure on their profit margins in the near term on rising prices of pet coke, coal and diesel. Higher power and fuel and freight costs in the near term are likely to continue to put pressure on the margins.

Non availability of railway rakes is posing a key risk to the industry as the movement of both inbound as well as outbound materials are getting constrained affecting the volumes. Any restriction on use of pet coke may affect the profit margins of the industry. Non resolution of restriction on sand mining in various states can continue to hamper the demand for cement in such states.

(d) **OPPORTUNITIES AND OUTLOOK :**

The financial year 2018-19 is expected to be a year of growth, which has been rightly endorsed by the World Bank. According to the World Bank, when compared to other emerging economies, India has an "enormous growth potential" with the implementation of comprehensive reforms. Key indicators across the economy have shown positive rebounds and there is hope that the upward trajectory will continue in the new fiscal year to help achieve a GDP of around 8% for the years to come.

The cement prices are expected to improve in the near future, buoyed by a pick-up in construction activity and easing sand availability. However, if commodity prices do not ease, realisation gains will be offset by higher expenses, keeping margin growth subdued for the industry. The profitability of the industry might stay under pressure with diesel projected to remain firm, continuing lack of railway rakes to carry the finished goods and persistently high levels of fuel prices.

Budget for the financial year 2018-2019 has provided higher rural credit, increased Minimum Support Price (MSP) and allocation for rural, agricultural and allied sectors and stressed on continued focus on the Pradhan Mantri Awas Yojana (PMAY) and infrastructure investments. The Government has announced setting up of an Affordable Housing Fund of ₹ 25,000 crore under the National Housing Bank (NHB) which will be utilised for easing credit to homebuyers. The move is expected to support the demand of cement from the housing segment.

(e) **GOODS AND SERVICES TAX :**

Goods and Services Tax (GST) was introduced in the country w.e.f. 1st July, 2017. Barring few hiccups in the initial part, the Company successfully transitioned to the GST regime at all its business locations spread across the country. Frequent changes in the new tax system and huge compliance burden, however, poses a big challenge for the industry to cope with.

1.2 JUTE DIVISION

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS :

Jute Industry is mostly concentrated in the eastern part of India particularly in West Bengal. It plays a vital role in the economy of the state. Jute Industry supports over 300000 workers and over 4 million farm families. Jute Industry is principally dependent on the orders from the government food grains procuring agencies and over the previous few years, dependence on the government orders is increasing and now it accounts for about 70 % of its installed capacity.

(b) PERFORMANCE :

Production & Despatch

Particulars	2017-18	2016-17	CHANGE %
Production of Jute Goods (MT)	37208	37367	(0.43)
Dispatches of Jute Goods (MT)			
a) Domestic	31827	31753	0.23
b) Export	5388	4692	14.83

Sales

Particulars	2017-18 (₹ in Lakh)	2016-17 (₹ in Lakh)
Net Sales		
a) Domestic	25596.35	27901.64
b) Export	4881.27	4364.81
FOB Value	4781.14	4266.29

(c) OPPORTUNITIES AND THREATS; RISKS AND CONCERNS:

Opportunities :

With increasing concern and awareness about menace of synthetic packaging material to the environment, the

demand for jute goods is expected to revive in near future. Jute product being environment friendly and biodegradable have an edge over the packing material. Increase in use of jute shopping bag, floor covering, jute geotextile products provides opportunity to boost demand of jute goods.

Threats, Risks and Concerns :

Jute Industry faces daunting task of competing with subsidized duty free imports from Bangladesh. The industry is not only losing the market shares in the overseas market to Bangladesh but Bangladesh is also dumping its jute goods in India at the cost of market share of Indian Jute Mills.

Jute manufacturing is a labour intensive process and requires huge labour force. Jute industry has traditionally been dependent on migrant labours from nearby states. Now, migration from the other states has virtually dried due to employment availability locally in those states. Further, local people are getting alternate employment in lighter job like embroidery, masonry etc. Difficulty in getting worker for running the mills is resulting in lower capacity utilization causing further increase in cost of production per unit.

To overcome all these problems of a) loss of traditional market, b) lower availability of workers, c) subsidized import from Bangladesh, d) ever increasing raw jute prices, the company has taken up large scale modernization of the mills resulting in lower requirement of man power thereby reducing dependence on man power availability, reducing cost and diversifying in non-traditional product category.

(d) OUTLOOK :

The increase in cost of jute bags has further widened the gap between prices of synthetic bags and jute bags. If this trend continues there is strong concern that packing of many more commodities will shift to synthetic packaging material. Loss of traditional market of jute to synthetic fabric is likely to cause major demand problem in the industry.

However, the Division is confident that the efforts and investments made in the past will help it to sail through the troubled times in an efficient manner.

1.3 VINDHYACHAL STEEL FOUNDRY

Vindhyachal Steel Foundry produces iron & steel castings primarily for internal consumption. The total production of castings during the year has been 731 Ts. as against 913 Ts. in the previous year. The total sale of castings during the year was 550 Ts. (including 382 Ts. inter departmental transfer) as against 824 Ts. (including 730 Ts. inter departmental transfer) in the previous year.

CAPITAL EXPENDITURE

Satna & Raebareli :

- Various projects commissioned/upgraded during the year to meet the emission norms at Satna.
- New Plastic Waste Shredder machine installed in Satna Cement Works to improve Alternate Fuel and Raw materials (AFR) consumption.
- New tertiary crusher installed in Birla Vikas Cement Raw Ball Mill to increase Mill output.
- Upgraded grinding media pattern at Raebareli.
- Installed 4 nos. Screw Conveyors to convey Bag Filter discharge material directly into final product at Raebareli.
- Installed atomized grinding aid dozing system to maintain the high quality cement uniformly at Raebareli.

Chanderia :

- Various projects commissioned/upgraded during the year to meet the emission norms.
- Existing Packers replaced at Chanderia Cement Works packing plant to increase the efficiency.
- Replacement of existing Swirlex Burner with Pyrojet Burner for Chanderia Cement Works Kiln firing.
- 150 TPH capacity crusher along with Belt Conveyors installed at Chanderia Cement Works for crushing of Laterite and ochre.
- Semi automatic truck loading machines installed to increase efficiency and reduce manpower.
- To increase percentage of alternate fuel firing a pump house installed for firing waste mixed liquid to Chanderia Cement Works calciner.

Durgapur :

- Stock pile of 20000 MT capacity and 2 nos. Belt Conveyor have been constructed for additional storage of clinker.
- A wagon loading platform with 2 nos. of wagon loading machines have been installed.
- Power supply line has been re-routed to achieve reliability.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 as required under Section 92 of the Companies Act, 2013, is marked as **"Annexure – B"** which is annexed hereto and forms part of the Directors' Report.

COMPOSITION, NUMBER AND DATES OF MEETINGS OF THE BOARD AND COMMITTEES

The details of the composition, number and dates of meetings of the Board and Committees held during the financial year 2017-18 forms part of the Report on Corporate Governance. The number of meetings attended by each Director during the financial year 2017-18 also forms part of the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013 your Directors state that :

(a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;

(b) the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2017-18 and of the profit for the year ended 31st March, 2018;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts for the year ended 31st March, 2018, have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

(f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

CREDIT RATING

CRISIL has reaffirmed its ratings on short term debt including Commercial Paper (CP) to the extent of ₹300 crores as "A1+". Long term Non-Convertible Debentures of the Company of ₹ 280 Crores has been rated as "AA" (Outlook Negative) by CRISIL.

ICRA has assigned a rating of "AA" (Outlook Negative) for Long Term Non-Convertible Debentures of the Company of ₹ 400 Crores.

Further, CARE has also rated "CARE AA" (Outlook Stable) the Company's Long Term Bank Facilities and "CARE A1+" to the Company's Short Term Bank facilities aggregating to ₹ 1898 crores. The rating committee of CARE has assigned "CARE AA" (Outlook Stable) rating to the outstanding Non Convertible Debentures of ₹ 680 Crores.

FINANCE

The Company efficiently manages its surplus funds by investing in highly rated debt securities, fixed deposits and debt schemes of mutual funds considering safety, liquidity and return. The Company continuously undertakes review of its liabilities to reduce cost.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Report on Corporate Governance, along with certificate from the auditors confirming the compliance of conditions of Corporate Governance, is annexed and forms part of the Annual Report.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 2017-18 were on an arm's length basis and were in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to your Company.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions are placed before the Audit Committee.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and may be accessed at the link http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under the provisions of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **"Annexure – C",** which is annexed hereto and forms part of the Directors' Report.

RISK MANAGEMENT

Risk Management is the process of identification, assessment, and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and / or impact of unfortunate events or to maximise the realisation of opportunities. The Company has laid a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company

and its mitigation process/measures have been formulated in the areas such as business, quality, market, litigation, logistics, project execution, financial, human resources, environment and statutory compliance.

AWARDS & RECOGNITIONS

- During the year, the Chanderia Unit has been awarded the Certificate of Appreciation by the Department of Women & Child Development, Govt. of Rajasthan, Chanderia for its significant contribution in the field of "BAL VIKAS PROJECTS" (Rural).
- The Durgapur Unit of the Company has received "QCFI Best Private Sector Organization" award during the year and also received "Excellence" award "5-S" team at the Galaxy 31st National Convention on Quality Concept organised by QCFI.
- Birla Jute Mills, Birlapur has got recognition for sincere efforts & superior performance of vendors of jute bags for coffee packing from Tata Coffee Limited.

OCCUPATIONAL HEALTH & SAFETY

Employees of the Company play an important role in the industrial operation and company's growth, and are considered as the most valuable assets and their personal and professional development along with their robust health and safety is one of the top priorities of the organization.

The Company is complying with all the Statutory Provisions as required under the Factories Act. Competent persons carry out compulsory testing / examination of lifting tools, pressure vessels, cranes, safety belts etc. as per statutory requirement. To get good results in the accident prevention we have included safety programmes like investigation and analysis of all serious and fatal accidents, recommendations / remedial measures to prevent similar accidents. Near - miss situation/incident with no injury is accorded serious consideration for planning of preventive measures.

As a part of safety measures, we are ensuring almost cent percent use of Personal Protective Equipment by developing voluntary safety culture. Various periodical health check up programmes are conducted from time to time so as to monitor health hazards if any.

Safety posters, slogans are widely displayed at conspicuous placed at the factory including work placed, canteen and plant gates to continuously remind everyone about safe working practices and environment so as to inculcate a culture of safety amongst the workers. Safety day / week celebration is being organized every year with a view to arouse and motivate safety consciousness amongst the employees.

CORPORATE SOCIAL RESPONSIBILITY

In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for the development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by the CSR Committee and the Board of Directors of the Company.

The Corporate Social Responsibility (CSR) policy of the Company provides a road map for its CSR activities. The purpose of CSR Policy is to devise an appropriate strategy and focus its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfill its CSR objectives. As per the said policy, the Company continues the strategy of discharging part of its CSR responsibilities related to social service through various trusts/ societies, in addition to its own initiatives and donations made to other non-government organizations.

The CSR Policy has been uploaded on the Company's website and may be accessed at the link http://www.birlacorporation.com/investors/policies/csr-policy.pdf

Pursuant to the requirement under Section 135 of the Companies Act, 2013 and Rules made thereunder a Report on CSR activities and initiatives taken during the year in the prescribed format is given in **"Annexure – D"**, which is annexed hereto and forms part of the Directors' Report.

The Company is actively associated with various social and philanthropic activities undertaken on its own as well as by different Trusts and Societies. As a constructive partner in the communities in which it operates, the Company has been taking concrete action to realize its social responsibility objective. The Company has been playing a pro-active role in the socio-economic growth and has contributed to all spheres ranging from health, education, empowerment of women, rural infrastructure development, environment conservation etc. In the past nine decades, the Company has supported innumerable social initiatives in India, touching the lives of lakhs of people positively by supporting environmental and health-care projects and social, cultural and educational programs.

Health, Educational and Social Initiatives :

The Company provides active assistance, financial as well as managerial, to various hospitals and educational and philanthropic institutions set up by trusts and societies.

The recent opening of the M P Birla Hospital & Research Centre at Chittorgarh has marked the latest foray of the M P Birla Group into the social healthcare space. This is the first full-service hospital in Chittorgarh, where the Company has two cement plants. The Hospital has in-house modern medical & pathological laboratories, diagnostic and treatment facilities for departments like Emergency, Imaging, Pathology, Pharmacy, Blood Bank, OPD, Operation Theatre, ICCU, Burn Unit, Orthopaedics, Gynaecology & Obstetrics, NICU & Child Care, Urology, Nephrology, Cardiology, Neurology, Dental, ENT, Dermatology amongst others. The Company has provided financial as well as administrative support to the initiative.

The total built up area of the 200 beds Multi-speciality hospital and housing building is approximately 2.00 lakh Sq. ft. and has basement, ground and 4 floors. The hospital has a separate 4 floors residential building for the residence of doctors and nurses who would be engaged in hospital duty.

This apart, the CSR activities undertaken include:

01] **Health care activities :**

The Company supports various social development activities in the area of healthcare by way of providing free medical check up and administer free treatment and medicines for the needy people, organised free eye camps in rural areas including eye surgery in rural areas, organised health awareness camps, wellness clinic, stress management camp, Adolescent Health Programme, awareness camp on cervical Cancer, provided 1000 nos. baby kits for new born babies to improve health, hygiene and reducing death rate. Doctors team from Company's dispensary regularly visit nearby villages at our plants every month for medical check up, free treatment and medicines.

02] **Education :**

The Company provides financial and infrastructural support to the schools located close to the Company's plants, by way of repairing and renovating the buildings, providing furniture wherever required. School dresses, winter clothes, books and stationery, school bags and other materials are also provided free of cost to the needy students. Computer training is also being provided to the students. The Company also provides scholarships and conducts other educational programme including vocational and summer training to management, engineering and other students on regular basis.

03] **Empowerment of women :**

With a view to bring advancement, development and empowerment of women and also to elevate their economic condition, the Company has taken various initiatives to promote skill building and income generating schemes for women in surrounding villages of factory and mining area. Necessary training and support is provided to women self-help groups under the projects to make them self reliant.

04] **Animal welfare and livestock development :**

The Company launched Livestock development and improved agricultural programme with the support of M/s. BAIF Development Research Foundation, Pune, in the villages nearby the mining areas of the Company. The programme aims to provide livelihood support and improve socio-economic condition of the local people and initiate various rural development projects e.g. to help in developing high yielding breeds of cattle and small ruminants such as goats and sheep, improve agricultural practices by providing good quality of seeds and training on best practices to the farmers by agriculture specialists. Promotion of organic vegetable and seasonal crops in our mining areas was initiated. Use of agricultural waste in terms of energy conservation and renewable energy development were undertaken. Several sanitation and hygiene programme are organised in schools and villages nearby our factory and mining areas. Training on Improved Agricultural Practices (IAP) by the research scientist of Krishi Vigyan Kendra was provided to the farmer groups near our mines area.

05] **Other Social Initiatives :**

The Company undertakes other social welfare activities and rural development projects including providing drinking water facility, water cooler in villages near its plant, repairing of hand pumps and submersible pumps, renovation of temple and public parks, deepening and cleaning of ponds, white washing in hospital, providing ambulance, construction of playground and bus-stop shed. The Company has made contribution towards various art and cultural activities including that of Meera Mahotsav, Dashera Mela and Hastshilp Mela & Art Exhibition. It also contributed to installing street lights and arranged proper lighting facilities on the roads of villages. The Company also financially supported construction activities including those for community hall, boundary wall and rooms for villagers. The Company provides financial support in organizing various State level sports meet including State level Kabaddi. The Company also provides sports material to the prisoners of Central Jail.

06] **Environmental sustainability :**

The Company believes in sustainable development by promoting clean and pollution free environment and making the environment eco friendly. Accordingly, various initiatives have been taken for Clean Development Mechanism (CDM) and pollution prevention. Sustainable development and environmental dimension forms an integral part of the Company's business decisions.

Extensive eco friendly plantations and beautifications of plant and residential colonies have been undertaken. Regular inspection and maintenance of pollution equipment are done and emission levels are maintained within the statutory limits.

The Company has started using Alternative Fuel and Raw Material Feeding System (AFRS) for higher use of alternative fuel on continuous basis at its clinker manufacturing units. This move ensures availability of alternative fuel throughout the year and has resulted in reduction of fuel cost and also helped in reducing the carbon footprint.

Measures have been taken during the year for further improving the environmental performance such as installation of Bag Dust Collectors and new water spray system for controlling dust emission. SO2 & NOX gas analyzer in kiln stack has been installed for close monitoring. Sheds are constructed for maintaining good house keeping inside the plant premises. Measures have also been taken for conservation of limestone reserves. Water tankers, pumps,

rain guns and water spray system have been provided for pressurized spray in order to control dust pollution around mining area and roads.

The Waste Heat Recovery System at Satna and Chanderia plants of the Company uses the waste hot gases coming out of the pre-heater and clinker cooler to generate substantial power thereby reducing Green House Gas (GHG) emissions into the atmosphere. Grinding aid is introduced in all the units to improve consumption of Fly Ash and Slag. Further, to protect the environment, the Company has consumed substantial quantity of Fly Ash during the year 2017-18 at various cement plants of the Company. This has resulted in reduction of clinker usage, which in turn reduced GHG emissions at our plants, without compromising on the quality and strength of cement.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

Shri Pracheta Majumdar (DIN: 00179118), Wholetime Director designated as Chief Management Advisor retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Appointment

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company during its Meeting held on 11th November, 2017 appointed Shri Dilip Ganesh Karnik (DIN: 06419513) as an Additional Director in the category of Non-Independent Non-Executive Director on the Board of the Company.

The above is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

Re-appointment

- Shri Pracheta Majumdar (DIN: 00179118), has been re-appointed as the Wholetime Director designated as Chief Management Advisor of the Company for a period of 3 (three) years w.e.f. 20th May, 2018 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
- Shri Vikram Swarup (DIN: 00163543), Shri Anand Bordia (DIN: 00679165), Shri Brij Behari Tandon (DIN: 00740511), Shri Dhruba Narayan Ghosh (DIN: 00012608) and Dr. Deepak Nayyar (DIN: 00348529) has been re-appointed as the Independent Directors of the Company for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019 subject to approval of the shareholders at the ensuing Annual General Meeting of the Company by passing Special Resolution as per Section 149(10) read with Schedule IV of the Companies Act, 2013.

Key Managerial Personnel (KMP)

The following are the Key Managerial Personnel of the Company :

1. Shri Bachh Raj Nahar : Managing Director
2. Shri Pracheta Majumdar : Wholetime Director designated as Chief Management Advisor
3. Shri Aditya Saraogi : Chief Financial Officer
4. Shri Girish Sharma : Company Secretary

None of the Directors/KMP has resigned during the year 2017-18.

DECLARATION BY INDEPENDENT DIRECTORS

Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh, Dr. Deepak Nayyar and Smt. Shailaja Chandra are Independent Directors on the Board of the Company. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

The Remuneration Policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, guidelines for remuneration to Executive Directors and Non-Executive Directors, fixed and variable components in the remuneration package, criteria for identification of the Board members and appointment of senior management.

The criteria for identification of the Board Members including those for determining qualification, positive attributes, independence etc. are summarily given hereunder :

- The Board member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- Independent director shall be person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/ philosophy/strategy of the Company.
- In evaluating the suitability of individual Board members.
- The Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements.

- Director should possess high level of personal and professional ethics, integrity and values. He should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the functioning of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors.

CRITERIA FOR EVALUATION OF DIRECTORS

For the purpose of proper evaluation, the Directors of the company have been divided into 3 (three) categories i.e. Independent, Non-Independent & Non-Executive and Executive.

The criteria for evaluation includes factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, result/ achievements, understanding and awareness, motivation/ commitment/ diligence, integrity/ethics/ values and openness/receptivity.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As reported earlier, Reliance Cement Company Private Limited (RCCPL) has become wholly owned subsidiary of the Company w.e.f. 22.08.2016. This acquisition has provided the Company with the ownership of high-quality assets, taking its total capacity to 15.5 MTPA from 10 MTPA, strengthening its presence in the high-growth Central region. The Company's expansion potential will also be enhanced significantly by its access to valuable mineral concessions in several States, in addition to Madhya Pradesh. RCCPL has three cement Units, an integrated cement plant at Maihar (Madhya Pradesh) and grinding units at Kundanganj (Uttar Pradesh) and Butibori (Maharashtra), with an aggregate capacity of 5.58 MTPA of cement and 3.3 MTPA of clinker. With the state of the art technology, strategically located raw material sources, captive coal mine and efficient operating parameters, it has already established the technical capability for producing top-end quality product. The mining lease at Mukutban will enable the Company to set up clinkerization unit in Maharashtra in the foreseeable future.

Since the take-over of RCCPL, considerable efforts have been made by the management for improving its operational efficiencies which has led to significant improvement in all parameters across the board. The operations of RCCPL have stabilized and it is achieving operating parameters that are among the best in the industry. The planned synergies, expected out of the acquisition, are also getting realized with successful integration of its operations with the Company.

As on 31st March, 2018, the Company is having 7 (seven) subsidiary companies. Three subsidiary companies namely, Thiruvaiyaru Industries Limited, Birla North East Cement Limited and Birla Corporation Cement Manufacturing PLC, Ethiopia are under the process of voluntary winding up. In view of the aforesaid, these subsidiaries have not been considered in preparing the Consolidated Financial Statements.

The two associate companies namely, Birla Readymix Private Limited and Birla Odessa Industries Private Limited have made application under Section 248 of the Companies Act, 2013 and Rules made thereunder for the removal of name of the Companies and the same is under process. In view of the aforesaid, these associates have not been considered in preparing the Consolidated Financial Statements.

No company has become or ceased to be the joint venture of the Company during the financial year 2017-18.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 forms part of the consolidated financial statement and hence not repeated here for the sake of brevity.

DEPOSITS

During the year under review, the Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

INTERNAL CONTROL AND SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and corporate policies and procedures.

Internal Audit is conducted periodically across all locations by firms of Chartered Accountants who verify and report on the efficiency and effectiveness of internal controls. The adequacy of internal control systems are reviewed by the Audit Committee of the Board in its periodical meetings.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

The policies and procedures adopted by the company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information.

The Internal auditors and the Management Audit Department continuously monitors the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management with regard to the Internal Financial Control system.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as **"Annexure – E"** which is annexed hereto and forms part of the Directors' Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement comprising the names of top 10 (ten) employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration exceeding the prescribed limit, forms an integral part of Directors' Report.

The above Annexure is not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS

Human Resource functions in the organization has seen a paradigm shift and evolved to embody modern day practices with proper use of technology and automation. This has had a profound impact on the morale and motivation of the employees who are the prime-movers. Thus the symbiotic relationship of the employees and the management is leading towards transformation of the organization.

There is a well-calibrated reward and recognition mechanism bringing in meritocracy. Learning and development initiative for employees are greatly emphasized to enable all round good performance by individuals.

Encouraging cordial working relation and maintaining good industrial relations have been the philosophy and endeavour of the HR Department. On the whole, industrial relation scenario has been good. Statutory compliances related to labour laws have been followed with due emphasis.

Industrial relations continued to remain cordial throughout the year at all the units. Suspension of Operation continues at Soorah Jute Mills, Auto Trim Division, Birlapur and at Birla Vinoleum, Birlapur. Workers of Auto Trim Division at Birlapur, Chakan, Gurgaon and Birla Vinoleum at Birlapur have availed separation.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

As required by the Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. During the year no complaints were reported to the Board.

AUDITORS & AUDITORS' REPORT

Statutory Auditors :

M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W) were appointed as the Statutory Auditors of the Company at the 97th Annual General Meeting of the Company held on 31st July, 2017 for a term of 5 consecutive years commencing from the conclusion of the 97th (Ninety Seventh) Annual General Meeting till the conclusion of the 102nd (Hundred and Second) Annual General Meeting of the Company to be held in the year 2022 and their appointment would be placed for ratification by the members at every Annual General Meeting during the said term.

The Ministry of Corporate Affairs has notified amendments in the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder with effect from 7th May, 2018. Pursuant to the said amendments, the requirement for ratification of appointment of Statutory Auditors by the Shareholders at every subsequent

Annual General Meeting till the conclusion of their tenure has been done away with.

The notes on accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any comments.

Cost Auditors :

The Board of Directors on the recommendation of the Audit Committee appointed M/s. Shome & Banerjee, (Firm Registration No. 000001), Cost Accountant, as the Cost Auditors of the Company for the financial year 2018-19 for auditing the cost records relating to Cement, Jute Goods and Steel products manufactured by the Company. The remuneration proposed to be paid to the Cost Auditor is subject to ratification by the shareholders of the Company at the ensuing Annual General Meeting.

M/s. Shome & Banerjee has confirmed that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) and all other applicable provisions of the Companies Act, 2013 and their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

Secretarial Auditors :

The Board had appointed M/s Mamta Binani & Associates, Practising Company Secretaries to conduct Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report for the Financial Year ended 31st March, 2018 is annexed herewith and marked as **"Annexure - F"**. The Report is self-explanatory and do not call for any comments.

There are no audit qualifications, adverse remarks or disclaimer in the respective reports of the Statutory Auditors and Secretarial Auditors for the year under review.

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Secretarial Standards :

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws or regulations. 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 and fuels cost & availability, transportation costs, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

APPRECIATION

We wish to place on record our appreciation for the continued assistance and co-operation extended to the Company by the Government of India, State Governments, Financial Institutions and Banks, Dealers and Customers, Shareholders and to all others who are continuing their assistance to the Company.

For and on behalf of the Board of Directors

Harsh V. Lodha	**Bachh Raj Nahar**
Chairman	Managing Director
(DIN : 00394094)	(DIN : 00049895)

Kolkata,
Dated, the 16th day of May, 2018

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE – 'A'

DIVIDEND DISTRIBUTION POLICY

PREAMBLE, OBJECTIVE AND SCOPE

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

To comply with the above requirement and with an endeavor to maintain a consistent approach to dividend pay-out plans, the Board of Directors ('Board') of Birla Corporation Limited ('the Company') adopts this Dividend Distribution Policy ('Policy').

The objective of this Policy is to:

(i) specify the parameters (including internal and external factors) that shall be considered while declaring the dividend;

(ii) lay down the circumstances under which the shareholders of the Company may or may not expect dividend; and

(iii) provide for the manner of utilization of retained earnings.

EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. 8th February, 2017.

PARAMETERS/ FACTORS AFFECTING DIVIDEND DECLARATION :

The Board of Directors of the Company shall, inter alia, consider the following Parameters for recommendation / declaration of Dividend :

External Factors :

- **Macroeconomic conditions:** In the event of uncertain or recessionary economic and business conditions, the Board may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances;
- **Statutory requirements:** Statutory requirements, regulatory conditions or restrictions as applicable including tax laws, the Companies Act, 2013 and SEBI regulations etc;
- **Agreements with Lending Institutions:** The Board may consider protective covenants in a bond indenture or loan agreement that may include leverage limits & restrictions on payment of cash dividends in order to preserve the Company's ability to service its debt;
- **Capital Markets:** In favourable market scenarios, the Board may consider liberal pay–out. However, it may resort to a conservative dividend pay-out in case of unfavourable market conditions.
- **Taxation Policy:** The tax policy of the country may also influence the dividend policy of the Company. The rate of tax directly influences the amount of profits available to the Company for declaring dividends.
- Any other factor as may be deemed fit by the Board.

Internal Factors :

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include :

- Financial performance including profits earned (standalone), available distributable reserves etc;
- Impact of dividend payout on Company's return on equity, while simultaneously maintaining prudent and reasonably conservative leveraging in every respect e.g. Interest coverage, DSCR (Debt Service Coverage Ratio) Debt: EBITDA and Debt: Equity, including maintaining a targeted rating – domestically and internationally;
- Alternate usage of cash viz. acquisition/Investment opportunities or capital expenditures and resources to fund such opportunities/ expenditures, in order to generate significantly higher returns for shareholders;

ANNEXURE TO DIRECTORS' REPORT (Contd.)

- Leverage profile, liabilities and liquidity position of the Company;
- Fund requirement for contingencies and unforeseen events with financial implications;
- Past Dividend trend including Interim dividend paid, if any; and
- Any other factor as deemed fit by the Board.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following :

- The Company is in higher need of funds for acquisition/ diversification/ expansion/ investment opportunities/ deleveraging or capital expenditures;
- The Company has incurred losses or in the stage of inadequacy of profits;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Due to operation of any law in force.

The Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing for all the expenses as may be statutorily required under various legislations applicable to the Company.

In addition to the above, the Board of Directors of the Company may also consider declaration of any special dividend, on special occasions, as and when they may deem fit, subject to the provisions of the Companies Act, 2013 and rules made thereunder and other relevant requirements, if any.

Further, the Board may also take into consideration such other circumstances as it may in its absolute discretion think fit.

UTILIZATION OF RETAINED EARNING

The Board may retain its earnings in order to make optimum utilisation of the available resources and enhance the shareholder's value. The retained earnings of the Company can be used for acquisitions, expansions, diversifications or for meeting the working capital requirements, other liabilities of the Company or for any other object covered in Memorandum of Association; or may be retained for its business purpose in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder, if any, the Listing Regulations, other applicable legislations governing dividends and the Memorandum and Articles of Association of the Company, as in force and as amended from time to time.

The decision of distributing dividend or utilisation of the retained earnings shall be taken after having due regard to the parameters laid down in this Policy.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

Presently, the issued share capital of the Company comprises of only one class of Shares i.e. equity shares. In the event of the Company issuing any other class(es) of shares, it shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

DISCLOSURE

The Company shall disclose the Policy on the Company's website and a web link thereto shall be provided in the Annual Report.

REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'B'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018

of

BIRLA CORPORATION LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L01132WB1919PLC003334
iii)	Registration Date	25th day of August, 1919
iii)	Name of the Company	BIRLA CORPORATION LIMITED
iv)	Category/Sub Category of the Company	Public Company/Limited by shares
v)	Address of the Registered Office and contact details	Birla Building, 9/1, R.N. Mukherjee Road, Kolkata – 700 001 Phone: (033) 6616 6729/ 6737/ 6738 Fax: (033) 2248- 7988 / 2872 E-mail: coordinator@birlacorp.com
vi)	Whether listed company	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Ltd. 12/1/5, Manoharpukur Road, Kolkata – 700 026 Phone : (033) 4072- 4051/ 4052 Fax : (033) 4072 – 4050 E-mail : mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Name and Descriptionof main products / services	NIC Code of the Product/ service	% to total turnover of the company
Cement	2394	92% Approx.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Reliance Cement Company Private Ltd. 'Industry House', 159, Churchgate Reclamation, Mumbai - 400 020	U26940MH2007PTC173458	SUBSIDIARY	100.00	2(87)
2	Lok Cement Limited 'Industry House', 159, Churchgate Reclamation, Mumbai - 400 020	U26922MH1995PLC085677	SUBSIDIARY	100.00	2(87)
3	Talavadi Cements Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U72900WB1995PLC099355	SUBSIDIARY	98.01	2(87)
4	Birla Jute Supply Company Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U01113WB1950PLC093522	SUBSIDIARY	100.00	2(87)
5	Budge Budge Floorcoverings Limited Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U36994WB1996PLC076677	SUBSIDIARY	100.00	2(87)
6	Birla Cement (Assam) Ltd. 104A, Dr. B.K. Kakoti Road, Opp. Royal View Building, Ulubari, Guwahati - 781 007 (Assam)	U26940AS2008PLC008652	SUBSIDIARY	100.00	2(87)
7	M.P. Birla Group Services Pvt. Ltd. Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U74999WB2008PTC125257	SUBSIDIARY	100.00	2(87)
8	Birla Readymix Private Limited * Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U26959WB1997PTC082661	ASSOCIATE	46.73	2(6)
9	Birla Odessa Industries Private Limited * Birla Building, 9/1, R.N. Mukherjee Road, Kolkata - 700 001	U17232WB1989PTC046562	ASSOCIATE	48.61	2(6)

* Under process of removal of name

ANNEXURE TO DIRECTORS' REPORT (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	1260	1260	0.00	0	1260	1260	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	37373923	5260	37379183	48.54	37373923	5260	37379183	48.54	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other ….Society	11053748	0	11053748	14.35	11048488	5260	11053748	14.35	0.00
Sub Total (A1) :	**48427671**	**6520**	**48434191**	**62.90**	**48422411**	**11780**	**48434191**	**62.90**	**0.00**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter (A) = (A1)+(A2)	**48427671**	**6520**	**48434191**	**62.90**	**48422411**	**11780**	**48434191**	**62.90**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	10170479	2440	10172919	13.21	7712270	2140	7714410	10.02	-3.19
b) Banks / FI	9170	16498	25668	0.03	12243	15300	27543	0.04	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	2972317	500	2972817	3.86	2972317	500	2972817	3.86	0.00
g) FIIs	1754359	100	1754459	2.28	2020276	0	2020276	2.62	0.35
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B)(1) :	**14906325**	**19538**	**14925863**	**19.38**	**12717106**	**17940**	**12735046**	**16.54**	**-2.85**

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	6183115	4440	6187555	8.04	4974597	3208	4977805	6.46	-1.57
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3906464	524287	4430751	5.75	6466980	387793	6854773	8.90	3.15
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1768207	10510	1778717	2.31	2263818	10510	2274328	2.95	0.64
c) Others (specify) HUF									
i) Non Resident Individuals	194650	10592	205242	0.27	339203	4814	344017	0.45	0.18
ii) Trusts and Foundations & Society	1043028	0	1043028	1.35	1211528	0	1211528	1.57	0.22
(iii) NBFCs	0	0	0	0.00	10208	0	10208	0.01	0.01
(iv) IEPF	0	0	0	0.00	163451	0	163451	0.21	0.21
Sub-total (B)(2) :	**13095464**	**549829**	**13645293**	**17.72**	**15429785**	**406325**	**15836110**	**20.56**	**2.85**
Total Public Shareholding (B) = (B)(1)+ (B)(2)	**27976034**	**595122**	**28571156**	**37.10**	**28001789**	**569367**	**28571156**	**37.10**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**76429460**	**575887**	**77005347**	**100.00**	**76569302**	**436045**	**77005347**	**100.00**	**0.00**

ii) Shareholding of Promoters

SL. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2017)			No. of Shares held at the end of the year (as on 31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	August Agents Ltd.	6015912	7.81	0.00	6015912	7.81	0.00	0.00
2	Baroda Agents & Trading Co. Pvt. Ltd	914355	1.19	0.00	914355	1.19	0.00	0.00
3	Belle Vue Clinic	175148	0.23	0.00	175148	0.23	0.00	0.00
4	Birla Cable Ltd #	280	0.00	0.00	280	0.00	0.00	0.00
5	Birla Financial Corporation Ltd.	280	0.00	0.00	280	0.00	0.00	0.00
6	East India Investment Co. Pvt. Ltd	3183	0.00	0.00	3183	0.00	0.00	0.00
7	Eastern India Educational Institution	3361200	4.36	0.00	3361200	4.36	0.00	0.00
8	Express Dairy Company Limited	280	0.00	0.00	280	0.00	0.00	0.00
9	Gwalior Webbing Co. Pvt. Ltd.	1775200	2.31	0.00	1775200	2.31	0.00	0.00
10	Hindustan Gum & Chemicals Ltd.	270000	0.35	0.00	270000	0.35	0.00	0.00

ANNEXURE TO DIRECTORS' REPORT (Contd.)

SL. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2017)			No. of Shares held at the end of the year (as on 31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
11	Hindustan Medical Institution	7159460	9.30	0.00	7159460	9.30	0.00	0.00
12	Insilco Agents Ltd.	6004080	7.80	0.00	6004080	7.80	0.00	0.00
13	Laneseda Agents Ltd.	5994680	7.78	0.00	5994680	7.78	0.00	0.00
14	M.P. Birla Foundation Educational Society	100100	0.13	0.00	100100	0.13	0.00	0.00
15	M.P. Birla Institute of Fundamental Research	100	0.00	0.00	100	0.00	0.00	0.00
16	Mazbat Investment Pvt. Ltd.	30412	0.04	0.00	30412	0.04	0.00	0.00
17	Mazbat Properties Pvt. Ltd.	39600	0.05	0.00	39600	0.05	0.00	0.00
18	Mazbat Tea Estate Ltd.	1467689	1.91	0.00	1467689	1.91	0.00	0.00
19	Punjab Produce Holdings Ltd.	3665407	4.76	0.00	3665407	4.76	0.00	0.00
20	Shreyas Medical Society	117740	0.15	0.00	117740	0.15	0.00	0.00
21	Estate of Late Smt Priyamvada Devi Birla represented by Justice Ajit Prakash Shah, Shri Amal Chandra Chakrabortti and Shri Mahendra Kumar Sharma in their capacity as Administrators pendente lite	1260	0.00	0.00	1260	0.00	0.00	0.00
22	South Point Foundation	140000	0.18	0.00	140000	0.18	0.00	0.00
23	The Punjab Produce & Trading Co. Pvt. Ltd	4520572	5.87	0.00	4520572	5.87	0.00	0.00
24	Universal Cables Ltd.	296730	0.39	0.00	296730	0.39	0.00	0.00
25	Varunendra Trading & Agents Pvt. Ltd.	280	0.00	0.00	280	0.00	0.00	0.00
26	Vindhya Telelinks Ltd.	6380243	8.29	0.00	6380243	8.29	0.00	0.00
	TOTAL	**48434191**	**62.90**	**0.00**	**48434191**	**62.90**	**0.00**	**0.00**

[#] Name of Company has changed.

iii) Change in Promoters' Shareholding

Sl . No.		Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	48434191	62.90		
	Date wise Increase / Decrease in Promoter Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	No change during the year			
	At the end of the year	48434191	62.90	48434191	62.90

ANNEXURE TO DIRECTORS' REPORT (Contd.)

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Reliance Capital Trustee Company Limited	4925585	6.40	01.04.2017				
				14.04.2017	20000	Transfer	4945585	6.42
				28.04.2017	75000	Transfer	5020585	6.52
				26.05.2017	45000	Transfer	5065585	6.58
				02.06.2017	97145	Transfer	5162730	6.70
				07.07.2017	-33084	Transfer	5129646	6.66
				14.07.2017	-53951	Transfer	5075695	6.59
				21.07.2017	170000	Transfer	5245695	6.81
				24.07.2017	93365	Transfer	5339060	6.93
				28.07.2017	90290	Transfer	5429350	7.05
				04.08.2017	6094	Transfer	5435444	7.06
				18.08.2017	79000	Transfer	5514444	7.16
				08.09.2017	50000	Transfer	5564444	7.23
				15.09.2017	-212548	Transfer	5351896	6.95
				22.09.2017	-91655	Transfer	5260241	6.83
				13.10.2017	-19347	Transfer	5240894	6.81
				20.10.2017	-101359	Transfer	5139535	6.67
				27.10.2017	-255435	Transfer	4884100	6.34
				03.11.2017	-75000	Transfer	4809100	6.25
				17.11.2017	-72000	Transfer	4737100	6.15
				24.11.2017	-152606	Transfer	4584494	5.95
				01.12.2017	-17394	Transfer	4567100	5.93
				08.12.2017	-90013	Transfer	4477087	5.81
				15.12.2017	-33951	Transfer	4443136	5.77
				05.01.2018	-48496	Transfer	4394640	5.71
				12.01.2018	-30338	Transfer	4364302	5.67
				19.01.2018	-18685	Transfer	4345617	5.64
				26.01.2018	-3690	Transfer	4341927	5.64
				02.02.2018	-3729	Transfer	4338198	5.63
				09.02.2018	-18543	Transfer	4319655	5.61
				16.02.2018	-14667	Transfer	4304988	5.59
				02.03.2018	-2192	Transfer	4302796	5.59
				09.03.2018	-8613	Transfer	4294183	5.58
				16.03.2018	-32959	Transfer	4261224	5.53
				23.03.2018	-98306	Transfer	4162918	5.41
		4162918	5.41	31.03.2018			4162918	5.41

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
2	Life Insurance Corporation of India	2708172	3.52	01.04.2017		No movement during the year	2708172	3.52
		2708172	3.52	31.03.2018			2708172	3.52
3	ICICI Prudential Value Discovery Fund	2396021	3.11	01.04.2017				
				07.04.2017	-120321	Transfer	2275700	2.96
				14.04.2017	-69653	Transfer	2206047	2.86
				21.04.2017	-86517	Transfer	2119530	2.75
				28.04.2017	-98830	Transfer	2020700	2.62
				05.05.2017	-27215	Transfer	1993485	2.59
				12.05.2017	-98859	Transfer	1894626	2.46
				19.05.2017	-89907	Transfer	1804719	2.34
				26.05.2017	-37415	Transfer	1767304	2.30
				02.06.2017	-371587	Transfer	1395717	1.81
				09.06.2017	-18152	Transfer	1377565	1.79
				16.06.2017	-15803	Transfer	1361762	1.77
				23.06.2017	-50751	Transfer	1311011	1.70
				14.07.2017	-8179	Transfer	1302832	1.69
				21.07.2017	-361492	Transfer	941340	1.22
				24.07.2017	-75989	Transfer	865351	1.12
				28.07.2017	-162044	Transfer	703307	0.91
				04.08.2017	-47888	Transfer	655419	0.85
				11.08.2017	-99459	Transfer	555960	0.72
				18.08.2017	-3424	Transfer	552536	0.72
				25.08.2017	-6455	Transfer	546081	0.71
				01.09.2017	-91066	Transfer	455015	0.59
				08.09.2017	-71209	Transfer	383806	0.50
				15.09.2017	-26376	Transfer	357430	0.46
				22.09.2017	-29640	Transfer	327790	0.43
				06.10.2017	-1083	Transfer	326707	0.42
				13.10.2017	-73946	Transfer	252761	0.33
				20.10.2017	-9239	Transfer	243522	0.32
				27.10.2017	-207371	Transfer	36151	0.05
				03.11.2017	-36151	Transfer	0	0.00
		0	0.00	31.03.2018			0	0.00

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4	Merlin Securities Pvt. Ltd.	1136318	1.48	01.04.2017				
				07.04.2017	-20248	Transfer	1116070	1.45
				14.04.2017	-20500	Transfer	1095570	1.42
				21.04.2017	-19144	Transfer	1076426	1.40
				28.04.2017	-4500	Transfer	1071926	1.39
				05.05.2017	-14266	Transfer	1057660	1.37
				12.05.2017	-25111	Transfer	1032549	1.34
				19.05.2017	-23240	Transfer	1009309	1.31
				26.05.2017	-20948	Transfer	988361	1.28
				02.06.2017	-62146	Transfer	926215	1.20
				16.06.2017	-17927	Transfer	908288	1.18
				23.06.2017	-39112	Transfer	869176	1.13
				07.07.2017	-23725	Transfer	845451	1.10
				14.07.2017	-36322	Transfer	809129	1.05
				21.07.2017	-119335	Transfer	689794	0.90
				24.07.2017	-30000	Transfer	659794	0.86
				28.07.2017	-1000	Transfer	658794	0.86
				04.08.2017	-47274	Transfer	611520	0.79
				11.08.2017	-5202	Transfer	606318	0.79
				25.08.2017	-2431	Transfer	603887	0.78
				01.09.2017	-21500	Transfer	582387	0.76
				08.09.2017	-10000	Transfer	572387	0.74
				22.09.2017	-52500	Transfer	519887	0.68
				13.10.2017	-1000	Transfer	518887	0.67
				20.10.2017	-665	Transfer	518222	0.67
				27.10.2017	-15110	Transfer	503112	0.65
				03.11.2017	-21570	Transfer	481542	0.63
				10.11.2017	-14745	Transfer	466797	0.61
				17.11.2017	-3671	Transfer	463126	0.60
				24.11.2017	-1708	Transfer	461418	0.60
				01.12.2017	-10000	Transfer	451418	0.59
				08.12.2017	-10000	Transfer	441418	0.57
				15.12.2017	-2137	Transfer	439281	0.57
				22.12.2017	-12203	Transfer	427078	0.55
				29.12.2017	-15689	Transfer	411389	0.53
				30.12.2017	-10000	Transfer	401389	0.52
				05.01.2018	-27000	Transfer	374389	0.49
				12.01.2018	-2000	Transfer	372389	0.48
				02.02.2018	-8165	Transfer	364224	0.47
		364224	0.47	31.03.2018			364224	0.47

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	L and T Mutual Fund Trustee Ltd.	1108505	1.44	01.04.2017				
				07.04.2017	25000	Transfer	1133505	1.47
				21.04.2017	-54503	Transfer	1079002	1.40
				28.04.2017	-144714	Transfer	934288	1.21
				05.05.2017	-13400	Transfer	920888	1.20
				02.06.2017	23750	Transfer	944638	1.23
				16.06.2017	21200	Transfer	965838	1.25
				23.06.2017	174522	Transfer	1140360	1.48
				30.06.2017	10000	Transfer	1150360	1.49
				07.07.2017	114611	Transfer	1264971	1.64
				14.07.2017	21600	Transfer	1286571	1.67
				21.07.2017	32855	Transfer	1319426	1.71
				04.08.2017	27847	Transfer	1347273	1.75
				11.08.2017	5000	Transfer	1352273	1.76
				18.08.2017	6528	Transfer	1358801	1.76
				25.08.2017	1872	Transfer	1360673	1.77
				22.09.2017	100000	Transfer	1460673	1.90
				03.11.2017	35000	Transfer	1495673	1.94
				17.11.2017	1246	Transfer	1496919	1.94
				24.11.2017	18854	Transfer	1515773	1.97
				29.12.2017	-250	Transfer	1515523	1.97
				09.03.2018	-12000	Transfer	1503523	1.95
				16.03.2018	-1550	Transfer	1501973	1.95
		1501973	1.95	31.03.2018			1501973	1.95
6	G K Trading Pvt. Ltd.	1054203	1.37	01.04.2017				
				12.05.2017	-6765	Transfer	1047438	1.36
				19.05.2017	-28891	Transfer	1018547	1.32
				02.06.2017	-25611	Transfer	992936	1.29
				24.07.2017	-1561	Transfer	991375	1.29
				28.07.2017	-5894	Transfer	985481	1.28
				04.08.2017	-11322	Transfer	974159	1.27
				11.08.2017	-49000	Transfer	925159	1.20
				18.08.2017	-12445	Transfer	912714	1.19
				25.08.2017	-3897	Transfer	908817	1.18
				01.09.2017	-10856	Transfer	897961	1.17

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				08.09.2017	-9381	Transfer	888580	1.15
				22.09.2017	-993	Transfer	887587	1.15
				30.09.2017	-14629	Transfer	872958	1.13
				06.10.2017	-17689	Transfer	855269	1.11
				13.10.2017	-5850	Transfer	849419	1.10
				20.10.2017	-3335	Transfer	846084	1.10
				27.10.2017	-1294	Transfer	844790	1.10
				10.11.2017	-20802	Transfer	823988	1.07
				22.12.2017	-12678	Transfer	811310	1.05
				29.12.2017	-2448	Transfer	808862	1.05
				12.01.2018	-9769	Transfer	799093	1.04
				19.01.2018	-1000	Transfer	798093	1.04
				09.02.2018	-1300	Transfer	796793	1.03
				16.02.2018	-1896	Transfer	794897	1.03
				23.02.2018	-79595	Transfer	715302	0.93
				02.03.2018	-47719	Transfer	667583	0.87
				09.03.2018	-57432	Transfer	610151	0.79
				16.03.2018	-20408	Transfer	589743	0.77
				23.03.2018	-20150	Transfer	569593	0.74
		512386	0.67	31.03.2018	-57207	Transfer	512386	0.67
7	Lifecycle Infotech Private Limited	851310	1.11	01.04.2017				
				07.04.2017	-7882	Transfer	843428	1.10
				14.04.2017	-3200	Transfer	840228	1.09
				21.04.2017	-4918	Transfer	835310	1.08
				28.04.2017	-5082	Transfer	830228	1.08
				05.05.2017	-12692	Transfer	817536	1.06
				12.05.2017	-6000	Transfer	811536	1.05
				19.05.2017	-492	Transfer	811044	1.05
				02.06.2017	-10000	Transfer	801044	1.04
				09.06.2017	-2228	Transfer	798816	1.04
				16.06.2017	-58522	Transfer	740294	0.96
				23.06.2017	-21000	Transfer	719294	0.93
				30.06.2017	-2270	Transfer	717024	0.93
				07.07.2017	16814	Transfer	733838	0.95
				14.07.2017	-10126	Transfer	723712	0.94

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21.07.2017	-71990	Transfer	651722	0.85
				24.07.2017	-10000	Transfer	641722	0.83
				28.07.2017	-10505	Transfer	631217	0.82
				04.08.2017	-9001	Transfer	622216	0.81
				11.08.2017	-5731	Transfer	616485	0.80
				18.08.2017	-533	Transfer	615952	0.80
				25.08.2017	750	Transfer	616702	0.80
				01.09.2017	-1335	Transfer	615367	0.80
				22.09.2017	582	Transfer	615949	0.80
				30.09.2017	-15000	Transfer	600949	0.78
				06.10.2017	-14110	Transfer	586839	0.76
				10.11.2017	-22306	Transfer	564533	0.73
				17.11.2017	10157	Transfer	574690	0.75
				24.11.2017	-14477	Transfer	560213	0.73
				01.12.2017	5658	Transfer	565871	0.73
				08.12.2017	-1343	Transfer	564528	0.73
				15.12.2017	-18402	Transfer	546126	0.71
				22.12.2017	-287	Transfer	545839	0.71
				29.12.2017	-10208	Transfer	535631	0.70
				30.12.2017	20000	Transfer	555631	0.72
				05.01.2018	-18336	Transfer	537295	0.70
				12.01.2018	-664	Transfer	536631	0.70
				19.01.2018	5336	Transfer	541967	0.70
				26.01.2018	6048	Transfer	548015	0.71
				02.02.2018	9963	Transfer	557978	0.72
				09.02.2018	-10560	Transfer	547418	0.71
				23.02.2018	-56000	Transfer	491418	0.64
				02.03.2018	862	Transfer	492280	0.64
				09.03.2018	-6394	Transfer	485886	0.63
				16.03.2018	-61136	Transfer	424750	0.55
				23.03.2018	-29812	Transfer	394938	0.51
		412999	0.54	31.03.2018	18061	Transfer	412999	0.54

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
8	Brijmohan Sagarmal Capital Services Private Ltd.	750000	0.97	01.04.2017				
				07.04.2017	-2000	Transfer	748000	0.97
				28.04.2017	-150000	Transfer	598000	0.78
				16.06.2017	-5000	Transfer	593000	0.77
				23.06.2017	150000	Transfer	743000	0.96
				30.06.2017	-160000	Transfer	583000	0.76
				21.07.2017	-12000	Transfer	571000	0.74
				24.07.2017	-5000	Transfer	566000	0.74
				28.07.2017	-2000	Transfer	564000	0.73
				04.08.2017	-3000	Transfer	561000	0.73
				11.08.2017	-4000	Transfer	557000	0.72
				18.08.2017	-1500	Transfer	555500	0.72
				01.09.2017	-3000	Transfer	552500	0.72
				08.09.2017	-500	Transfer	552000	0.72
				15.09.2017	20000	Transfer	572000	0.74
				22.09.2017	138000	Transfer	710000	0.92
				30.09.2017	-151000	Transfer	559000	0.73
				20.10.2017	-3000	Transfer	556000	0.72
				27.10.2017	-7750	Transfer	548250	0.71
				03.11.2017	-1250	Transfer	547000	0.71
				10.11.2017	-2000	Transfer	545000	0.71
				22.12.2017	150000	Transfer	695000	0.90
				29.12.2017	-160000	Transfer	535000	0.69
				05.01.2018	-1750	Transfer	533250	0.69
				12.01.2018	-750	Transfer	532500	0.69
				19.01.2018	-279	Transfer	532221	0.69
				09.03.2018	-971	Transfer	531250	0.69
				16.03.2018	-750	Transfer	530500	0.69
				23.03.2018	-5000	Transfer	525500	0.68
		525500	0.68	31.03.2018			525500	0.68
9	Birla Education Trust	650961	0.85	01.04.2017		No movement during the year	650961	0.85
		650961	0.85	31.03.2018			650961	0.85

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	HDFC Trustee Company Limited	643332	0.84	01.04.2017				
				09.06.2017	-43632	Transfer	599700	0.78
				16.06.2017	-139700	Transfer	460000	0.60
				30.09.2017	-8400	Transfer	451600	0.59
				13.10.2017	-424600	Transfer	27000	0.04
		27000	0.04	31.03.2018			27000	0.04
11	Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.	261439	0.34	01.04.2017				
				07.04.2017	-493	Transfer	260946	0.34
				14.04.2017	-87	Transfer	260859	0.34
				21.04.2017	-1994	Transfer	258865	0.34
				28.04.2017	35	Transfer	258900	0.34
				05.05.2017	-2971	Transfer	255929	0.33
				12.05.2017	-3420	Transfer	252509	0.33
				19.05.2017	-83	Transfer	252426	0.33
				26.05.2017	-2578	Transfer	249848	0.32
				02.06.2017	-466	Transfer	249382	0.32
				09.06.2017	114978	Transfer	364360	0.47
				23.06.2017	-947	Transfer	363413	0.47
				30.06.2017	32	Transfer	363445	0.47
				07.07.2017	24300	Transfer	387745	0.50
				14.07.2017	-462	Transfer	387283	0.50
				21.07.2017	-2861	Transfer	384422	0.50
				28.07.2017	-560	Transfer	383862	0.50
				04.08.2017	-3188	Transfer	380674	0.49
				11.08.2017	-2328	Transfer	378346	0.49
				18.08.2017	100	Transfer	378446	0.49
				25.08.2017	275	Transfer	378721	0.49
				01.09.2017	-2570	Transfer	376151	0.49
				08.09.2017	-1424	Transfer	374727	0.49
				15.09.2017	143041	Transfer	517768	0.67
				22.09.2017	-4327	Transfer	513441	0.67
				30.09.2017	-2758	Transfer	510683	0.66
				06.10.2017	-8040	Transfer	502643	0.65
				13.10.2017	687	Transfer	503330	0.65
				20.10.2017	-2251	Transfer	501079	0.65
				27.10.2017	-1889	Transfer	499190	0.65
				03.11.2017	-5406	Transfer	493784	0.64
				10.11.2017	-1678	Transfer	492106	0.64
				17.11.2017	65081	Transfer	557187	0.72
				24.11.2017	89152	Transfer	646339	0.84

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				01.12.2017	30178	Transfer	676517	0.88
				08.12.2017	79629	Transfer	756146	0.98
				15.12.2017	-8347	Transfer	747799	0.97
				22.12.2017	-845	Transfer	746954	0.97
				29.12.2017	-6749	Transfer	740205	0.96
				05.01.2018	39	Transfer	740244	0.96
				12.01.2018	-1174	Transfer	739070	0.96
				19.01.2018	-7896	Transfer	731174	0.95
				26.01.2018	-1731	Transfer	729443	0.95
				02.02.2018	1858	Transfer	731301	0.95
				09.02.2018	2261	Transfer	733562	0.95
				16.02.2018	-1201	Transfer	732361	0.95
				23.02.2018	1393	Transfer	733754	0.95
				02.03.2018	1101	Transfer	734855	0.95
				09.03.2018	874	Transfer	735729	0.96
				16.03.2018	1242	Transfer	736971	0.96
				23.03.2018	-1173	Transfer	735798	0.96
		732216	0.95	31.03.2018	-3582	Transfer	732216	0.95
12	Aditya Birla Sun Life Trustee Private Limited	0	0.00	01.04.2017				
				17.11.2017	332100	Transfer	332100	0.43
				08.12.2017	45000	Transfer	377100	0.49
				15.12.2017	51400	Transfer	428500	0.56
				29.12.2017	50000	Transfer	478500	0.62
				05.01.2018	12500	Transfer	491000	0.64
				02.02.2018	30000	Transfer	521000	0.68
				23.02.2018	56000	Transfer	577000	0.75
		577000	0.75	31.03.2018			577000	0.75
13	Motilal Oswal Focused Growth Opportunities Fund	389500	0.51	01.04.2017				
				09.06.2017	100000	Transfer	489500	0.64
				16.06.2017	66000	Transfer	555500	0.72
		555500	0.72	31.03.2018			555500	0.72
14	Rams Equities Portfolio Fund	359415	0.47	01.04.2017				
				18.08.2017	30000	Transfer	389415	0.51
				08.09.2017	20585	Transfer	410000	0.53
				30.09.2017	50000	Transfer	460000	0.60
				06.10.2017	45000	Transfer	505000	0.66
				27.10.2017	55000	Transfer	560000	0.73
				22.12.2017	-10000	Transfer	550000	0.71
				26.01.2018	-13000	Transfer	537000	0.70
				09.03.2018	-21465	Transfer	515535	0.67
		515535	0.67	31.03.2018			515535	0.67

Note : PAN-wise consolidated shareholding taken.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2017)		Cumulative shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A.	**DIRECTORS :**				
1	Shri Harsh V. Lodha *				
	As on 01.04.2017 & 31.03.2018	1260	0.00	1260	0.00
2	Shri Pracheta Majumdar *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
3	Shri Vikram Swarup *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
4	Shri Anand Bordia *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
5	Shri Brij Behari Tandon *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
6	Shri Dhruba Narayan Ghosh *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
7	Dr. Deepak Nayyar *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
8	Smt. Shailaja Chandra*				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
9	Shri Dilip Ganesh Karnik				
	As on 01.04.2017 & 31.03.2018	0	0.00	500	0.00
10	Shri Bachh Raj Nahar *				
	As on 01.04.2017 & 31.03.2018	500	0.00	500	0.00
B.	**KEY MANAGERIAL PERSONNEL (KMP):**				
11	Shri Aditya Saraogi				
	As on 01.04.2017 & 31.03.2018	100	0.00	100	0.00
12	Shri Girish Sharma				
	As on 01.04.2017 & 31.03.2018	0	0.00	0	0.00

* Shares held jointly with other Shareholder.

Note : There is no change in the shareholding of Directors and KMP during the year. Shri Dilip Ganesh Karnik, who has been appointed as an Additional Director of the Company w.e.f. 11.11.2017, has acquired 500 shares of the Company on 22.12.2017.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment : (₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount as on 31.03.2017	1,94,220.78	753.34	-	**1,94,974.12**
ii) Interest due but not paid	161.37	0.23	-	**161.60**
iii) Interest accrued but not due as on 31.03.2017	2,909.52	-	-	**2,909.52**
TOTAL (i+ii+iii)	1,97,291.67	753.57	-	**1,98,045.24**
Change in Indebtedness during the financial year				
Addition	19,918.67	27,711.50	-	**47,630.17**
Reduction	28,712.56	25,653.84	-	**54,366.40**
Exchange Difference	-179.65	-119.67	-	**-299.32**
Net Change	**-8,614.24**	**2,177.33**	**-**	**-6,436.91**
Indebtedness at the end of the financial year				
i) Principal Amount as on 31.03.2018	1,85,606.54	2,930.67	-	**1,88,537.21**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due as on 31.03.2018	2,884.41	0.90	-	**2,885.31**
TOTAL (i+ii+iii)	**1,88,490.95**	**2,931.57**	**-**	**1,91,422.52**

Note : Loan & Interest in Foreign currency is considered at Closing Rate for respective year.

VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (AS PER THE PROVISIONS OF THE INCOME TAX ACT) :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager : (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Bachh Raj Nahar (Managing Director)	**Shri Pracheta Majumdar** (Whole-time Director designated as Chief Management Advisor)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	313.39	84.25	397.64
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	20.30	0.40	20.70
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission - as % of profit - others, specify	–	–	–
5	Others (Performance Linked Bonus)	60.00	37.00	97.00
	Total (A)	**393.69**	**121.65**	**515.34**
	Ceiling as per the Act	The remunerations is well within the limits prescribed under the Companies Act, 2013		

ANNEXURE TO DIRECTORS' REPORT (Contd.)

B. Remuneration to other directors

1. Independent Directors : (₹ in Lakhs)

Particulars of Remuneration	Name of Directors						Total Amount
	Shri Vikram Swarup	Shri Anand Bordia	Shri Brij Behari Tandon	Shri Dhruba Narayan Ghosh	Dr. Deepak Nayyar	Smt. Shailaja Chandra	
Fee for attending Board /Committee meetings	11.50	4.50	10.50	5.50	9.00	5.00	46.00
Commission	–	–	–	–	–	–	–
Others, please specify	–	–	–	–	–	–	–
Total (B)(1)	**11.50**	**4.50**	**10.50**	**5.50**	**9.00**	**5.00**	**46.00**

2. Other Non-Executive Directors : (₹ in Lakhs)

Particulars of Remuneration	Name of Directors		Total Amount
	Shri Harsh V. Lodha	Shri Dilip Ganesh Karnik	
Fee for attending Board Committee Meetings	6.00	–	6.00
Commission	–	–	–
Others, please specify	–	–	–
Total B(2)	**6.00**	**–**	**6.00**
Total (B) = (B1) + (B2)			**₹ 52.00 Lakh**
Total Managerial Remuneration			**₹ 567.34 Lakh**

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri Aditya Saraogi (Chief Financial Officer)	Shri Girish Sharma (Company Secretary)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	87.33	41.70	129.03
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.25	1.48	1.73
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit			
	others, specify…			
5	Others (Performance Linked Bonus)	37.00	11.00	48.00
	Total	**124.58**	**54.18**	**178.76**

ANNEXURE TO DIRECTORS' REPORT (Contd.)

VII. DETAILS OF PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,
Dated, the 16th day of May, 2018

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'C'

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, in the manner as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014

	Cement	Jute	Steel Foundry
A. **Conservation of Energy**			
i) a) Energy Conservation measures taken	An energy saving cell is in operation which identifies areas of Energy savings by way of modifications/ improvements and replacement of equipments. 1. Replacement of existing swirlex burner with low NOx pyrojet burner for kiln firing in CCW. 2. Installation of double lamella seals for kiln inlet and outlet at CCW. This reduced the false air leakage and reduced heat consumption. 3. Optimization of raw Ball Mill, grinding media regradation, Roll press and reduced power consumption in CCW. 4. CCW Kiln-1 and Kiln-2 Optimization, false air reduction, raw mix optimization to reduce energy consumption. 5. Increased Fly ash absorption in PPC with change in raw mix and usage of grinding aid. This resulted in reduction of the specific power consupmtion in CCW. 6. Removed damper of CCW-1 Cooler fans (09 Nos.) having VFDs and saved power. 7. Installation of Pyrojet burner for CCW-1 to improve clinker quality and reduce thermal energy. 8. Overhauling of 27 MW TPP turbine in Satna and power Saving on Boiler Feed pump by replacing the High efficinecy recirculation valve at 27 MW TPP. 9. Auxiliaries power Saving at BVC WHRS by replacing the timber type cooling tower with high efficiency FRP type cooling tower. 10. Power Saving by replacing the high wattage conventional lamp type lights with low power LED lights at , Plant, Mines, Colony , Birla School and offices. 11. Power Saving by replacing root blower with energy efficient delta / turbo blowers. 12. Centralized Operation of all Compressors of DCW plant through PLC & SCADA to reduce energy consumption for optimum running of compressors. 13. Optimization of Cement Mill circuit in Raebareli unit, to enhance the productivity by 10.0 %. 14. Arresting leakage of compressed air in order to optimize the running of compressor in Raebareli plant. 15. Optimization of Classifier & Blender Mill circuit of Raebareli Hi-Tech unit to enhance the productivity by 12.0 %.	1. Replacement of 10 nos reciprocating compressors by 9 nos screw type compressors. 2. Replacement of incandesent lights with CFL lights / LED lights. 3. Modification of old HRC fuse boxes by replacing with new MCB's.	1. The Conservation of energy is a continuous exercise. Trend of energy consumption is regularly monitorted and remedial measures are initiated to improve energy efficiency. 2. The focus is to yield improvement through optimum use of energy, hence exothermic feeding system in moulding process was started. 3. Excess super heat of liquid metal during melting is avoided through proper monitoring of temperature. 4. Efficiency improvement in compressed air through proper distibution of air by screw compressor. 5. Improvement in lighting system in foundry.
b) Impact on conservation of Energy	1. Due to better power factor, substantial saving was availed in CCW during the year. As a result of better power factor,energy loss also reduced due to reduction in transmission loss. 2. Replacement of conventional lights with energy efficient LED lights in CCW have resulted into saving of power consumption. 3. Cement Mills optimization, regration and discontinuance of using CM-3 in CCW resulted in lower power consumption in BCW. 4. Optimization,Grinding media regradation of both Cement mills and reduced overall grinding power consumption. 5. Power Saving of 28 KW/ Circulating valve (Boiler feed pump) in Satna TPP, after the replacement of high efficiency recirculation valve.	Reduction in power consumption and increase power factor.	—

ANNEXURE TO DIRECTORS' REPORT (Contd.)

		Cement	Jute	Steel Foundry
		6. Reduction in BVC WHRS Aux power consumption by 2 % from existing level after the replacement of cooling tower. 7. Power reduction, in BVC VRM by 1.0 U/T after the installation of circulating fan MV Drive. 8. Saving of power 40 KW after the replacement of root blower in Satna unit. 9. Saving of power 21 KW after the replacement of old compressor with high efficiency compressors in Satna unit. 10. Power factor improvement- DCW availed substantial amount of rebate on DVC Electricity bill on account of optimum power factor the energy loss also reduced due to reduction in transmission losses. 11. Saving in power consumption of 60 KW per hour in Raebareli unit due to various initiatives.		
ii)	Steps in utilisation of alternate sources of Energy	1. Installation of waste mixed liquid firing system to CCW calciner. 2. Multiple AFR used in CCW both kilns which includes Carbon Black, Waste mix solids, ETP sludge, Mustard husk, TDI Tar, Industrial waste, Non hazardous waste, liquid waste etc.	—	—
iii)	Capital investment on energy conservation equipments	₹ 119.88 Lakh	—	—
B.	**Technology Absorption**			
	Research & Development			
	1) Specification of Technology absorption and/or R&D	1. Replacement of existing Packer no. 1 & 2 at CCW Packing Plant with new ones. 2. Installation of waste mixed liquid firing system to CCW calciner. 3. Installation of 03 nos. Automatic Truck Loading Machines at CCW packer no. 6. 4. Up-gradation of 6 nos. ESPs for complying with latest statutory emission norms of SPM and Nox emissions. 5. Installation of SNCR system at SCW and CCW for statutory compliance of reduction of NOx in CCW.	1. Centralised Lubrcating system at Victor looms resulted proper application and reducing wastage of lubrication. 2. Revamping of steam supply line and condensate water return line to boiler. 3. Installation of caddy feed 5TPH Boiler. 4. Installed photo cell device back stop motion at drawing frames for better quality of sliver. 5. Conventional mettalic healed frame and healed wire replaced by synthetic material resulted increase efficiency at S4 A Looms.	—
	2) Benefit	1. Installation of new packers will lead to high efficiency cement packing and less nozzle downtime. 2. Installation of waste mix firing system will increase in percentage of alternative fuel firing. 3. Installation of Automatic Truck Loaders will increase in cement bags loading efficiency.	Conservation of Energy	Conservation of Energy

C. Foreign Exchange Earning & Outgo

i) Total Foreign Exchange used - ₹ 10904.95 Lakh

ii) Total Foreign Exchange earned (including export in Indian Currency) - ₹ 5957.08 Lakh

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,

Dated, the 16th day of May, 2018

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'D'

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the Company's CSR Policy including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes :**

   As per the provisions of the Companies Act, 2013 and rules framed thereunder, the Company has formulated its CSR policy for development and implementation of programs and projects for providing benefits to the weaker sections of the society, particularly in the areas of Education, Healthcare, Water, Infrastructure and Enhancement of Income of Rural Poor. While planning the CSR activities the need of people are taken into account and people living around the places where our manufacturing operations are carried out, are consulted. Greater emphasis is laid on activities for Preventive healthcare, Education of poor children, Water Facility, Rural Infrastructure development, Cleanliness and enhancing the income of the poor people. We have undertaken the CSR activities directly through our staff with support from reputed NGO and also through Madhav Prasad Priyamvada Birla Apex Charitable Trust. The Company's CSR policy is placed on its website and the web-link for the same is https://www.birlacorporation.com/investors/policies/csr-policy.pdf

2. **The composition of the CSR Committee is as under :-**

Shri Harsh V. Lodha	Chairman
Shri Vikram Swarup	Director
Shri Brij Behari Tandon	Director
Shri Dhruba Narayan Ghosh	Director

3. **Average net profits of the Company for the last three financial years :**

   2016-17, 2015-16 and 2014-15 is ₹ 212.09 Crores

4. **The prescribed CSR expenditure at 2% is ₹ 4.24 Crores**

5. **Details of CSR activities/projects undertaken during the year :**

   a) Total amount to be spent for the Financial Year 2017 – 18 : ₹ **4.24 Crores**

   b) Amount unspent, if any : Nil

   c) Manner in which the amount spent during the Financial Year 2017 – 18 is detailed below :-

Sl. No	CSR Projects/ activity identified	Sector in which the project is covered	Projects/ programs 1. Local area/others- 2. Specify the State/ district (Name of the District/s, State/s where project/ programs was undertaken	Amount outlay (budget) project/ programs-wise	Amount spent on the project/ programs Sub-heads: 1. Direct expenditure on project / Programs, 2. Overheads:	Cumulative spend up to the reporting period i.e. 2017 – 18	Amount spent: Direct/ through implementing agency
1	2	3	4	5	6	7	8
				₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	
I	Construction of multi-speciality Hospital	Health care	Chanderia in Rajasthan	200.00	200.00	200.00	Through implementing agency i.e. Madhav Prasad Priyamvada Birla Apex Charitable Trust

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No	CSR Projects/ activity identified	Sector in which the project is covered	Projects/ programs 1. Local area/others- 2. Specify the State/ district (Name of the District/s, State/s where project/ programs was undertaken	Amount outlay (budget) project/ programs-wise	Amount spent on the project/ programs Sub-heads: 1. Direct expenditure on project / Programs, 2. Overheads:	Cumulative spend up to the reporting period i.e. 2017 – 18	Amount spent: Direct/ through implementing agency
1	2	3	4	5	6	7	8
				₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	
II	Making available safe drinking water, Eye check-up camps and surgery, Preventive health check-up camps, toilet construction etc.	Health care / Hygiene	Satna in MP Chanderia in Rajasthan Durgapur in WB Raebareli in UP.	90.74	84.75	84.75	Direct
III	Promoting education and Assistance for Schools	Education	Satna in MP Chanderia in Rajasthan Durgapur in WB Raebareli in UP.	50.90	60.78	60.78	Direct
IV	Vocational training for Women Empowerment & setting up of old age home	Women Empowerment & old age home	Satna in MP Durgapur in WB.	10.97	6.71	6.71	Direct
V	Animal husbandry activities, Advanced agricultural training, Environment sustainability	Environmental sustainability and Agricultural training	Satna in MP Chanderia in Rajasthan Durgapur in WB Raebareli in UP.	16.44	17.73	17.73	Direct
VI	Promotion of rural sports and Cultural Initiatives	Promotion of rural sports and Cultural Initiatives	Satna in MP Chanderia in Rajasthan.	7.80	10.88	10.88	Direct
VII	Rural Development Projects	Rural Development	Satna in MP Chanderia in Rajasthan Durgapur in WB Raebareli in UP.	47.15	43.19	43.19	Direct
TOTAL				**424.00**	**424.04**	**424.04**	

6. **In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount :** Not Applicable

7. **A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company :** The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman of the CSR Committee
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,
Dated, the 16th day of May, 2018

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'E'

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2017-18 (₹ in lakh)	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director/to median remuneration of employees *
01.	Shri Bachh Raj Nahar Managing Director	417.46	1.5%	282:1
02.	Shri Pracheta Majumdar Wholetime Director designated as Chief Management Advisor	121.85	9.8%	82:1
03.	Shri Aditya Saraogi Chief Financial Officer	133.58	26.6%	N.A.
04.	Shri Girish Sharma Jt. President (Indirect Taxes) & Company Secretary	60.33	(10.0%)	N.A.

Note : No Director other than the Managing Director and Wholetime Director receives any remuneration other than sitting fees during the financial year 2017-18.

*The median remuneration of employees of the Company during the financial year was ₹ 1.48 Lakh;

ii) There was an increase of (14.3%) in the median remuneration of employees during the financial year 2017-18;

iii) There were 5,909 permanent employees on the rolls of Company as on 31st March, 2018;

iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2017-18 was (7.7%) whereas the increase in the managerial remuneration for the same financial year was 10.8%.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel depends upon the factors like industry standards, individual performance etc. during the year.

v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2018 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman
(DIN : 00394094)

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

Kolkata,
Dated, the 16th day of May, 2018

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'F'

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Birla Corporation Limited
Birla Building
9/1, R N Mukherjee Road
Kolkata 700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birla Corporation Limited (hereinafter called 'the Company'), bearing CIN: L01132WB1919PLC003334. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31 March 2018, to the extent applicable, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable :

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

ANNEXURE TO DIRECTORS' REPORT (Contd.)

vi. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Cement/Jute division of the Company :

a. Mineral Conservation and Development Rules, 1988

b. The Mines and Minerals (Development and Regulation) Act, 1957

c. The Environment (Protection) Act, 1986

d. Explosives Rules, 2008

e. Ammonium Nitrate Rules, 2012

f. The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987

g. The Jute Manufactures Cess Act, 1983

h. The National Jute Board Act, 2008

I have also examined compliance with the applicable clauses/Regulations of the following :

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Mr.Dilip Ganesh Karnik [DIN: 06419513] was appointed as an Additional Director and the necessary filings as required to be done as per the provisions of the Companies Act, 2013 has been complied with during the period under review.

Adequate notice had been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For and on behalf of **Mamta Binani & Associates**

Sd/-
Mamta Binani
Senior Partner
FCS No.: 4525
CP No.: 2598

Place : Kolkata
Date : 16.05.2018

BUSINESS RESPONSIBILITY REPORT 2017-18

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2018, pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Business Responsibility Report is a testament to our accountability towards creating enduring value for all stakeholders in a responsible manner. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report summarises our efforts to conduct business with responsibility.

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L01132WB1919PLC003334				
2	Name of the Company	Birla Corporation Limited				
3	Registered address	9/1, R N Mukherjee Road, Birla Building, Kolkata -700001				
4	Website	www.birlacorporation.com				
5	E-mail id	coordinator@birlacorp.com				
6	Financial Year reported	2017-18				
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Details of major products				
		Group	Class	Sub Class	Description	
		239	2394	23941 23942	Manufacturing of Clinker and Cement	
		131	1313	13135	Manufacturing of Jute	
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	(i) The Company manufactures cement of various kinds viz. Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement. (ii) The Company also manufactures Jute.				
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations (Provide details of major 5)- Nil (b) Number of National Locations : 2 integrated cements units, 3 grinding units, 1 blending unit, 1 Jute mill, 1 steel foundry unit, Registered Office and Corporate Office & regional sales offices in various states.				
10	Markets served by the Company – Local/State/ National/International	Local/State/National/International				
		Local	State	National	International	
		Yes	Yes	Yes	Yes	

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 77.01 crores
2	Total Turnover (INR)	₹ 3944.31 crores
3	Total profit after taxes (INR)	₹ 115.12 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, an amount of ₹ 424.04 Lakhs was spent on CSR activities. This represents 2% of average net profit for three financial year immediately preceding the financial year 2017-18.

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

5	List of activities in which expenditure in 4 above has been incurred:-	1. Health Care 2. Education 3. Women Empowerment 4. Environment Sustainability and Agriculture Training 5. Promotion of rural sports and Cultural Initiatives 6. Rural Development

SECTION C : OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, as on 31st March, 2018, the Company has 7 (Seven) Subsidiary Companies, viz. Reliance Cement Company Private Limited, Lok Cement Limited, Talavadi Cements Limited, Birla Jute Supply Company Limited, Budge Budge Floorcoverings Limited, Birla Cement (Assam) Ltd. and M.P. Birla Group Services Pvt. Ltd.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   The Business Responsibility initiatives of the Company apply to its subsidiaries.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   Other entities viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.

SECTION D : BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/ policies

1	DIN Number	:	00049895
2	Name	:	Shri Bachh Raj Nahar
3	Designation	:	Managing Director

b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00049895
2	Name	Shri Bachh Raj Nahar
3	Designation	Managing Director
4	Telephone Number	033 66033379
5	Email ID	brnahar@birlacorp.com

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below :-

P 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P 3	Businesses should promote the well-being of all employees.
P 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P 5	Businesses should respect and promote human rights.
P 6	Businesses should respect, protect, and make efforts to restore the environment.
P 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P 8	Businesses should support inclusive growth and equitable development.
P 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	**Questions**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Copies of the policy will be made available on receipt of written request from stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company is working on developing and improving its system for evaluating the implementation of the policies. The policies are evaluated from time to time and updated whenever required.								

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why : (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

BR performance of the Company is assessed annually.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company prepares Business Responsibility Report annually and the same is also placed on the website of the Company at www.birlacorporation.com.

SECTION E : PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1 : BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Policy relating to Ethics, Transparency and Accountability covers the Company only. The Policy includes a Code of Conduct prescribed by the Company which applies to the Directors and the Senior Management of the Company. A Whistle Blower Policy/ Vigil Mechanism is also in place which provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the codes of conduct or policies.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial year 2017-18, the Company has received 4 (Four) complaints from the shareholders out which 2 (two) complaints are relating to non-receipt of Dividend Warrant, 1 (one) is relating to issue of duplicate share certificates and 1(one) is relating to disputed shares with the broker, which was satisfactory resolved by the management.

PRINCIPLE 2 : BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company has been focussing on developing products that are environment friendly, utilising waste by product from other industries, reducing carbon footprint and more energy efficient. Our major product range is blended cements which include Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). We are replacing fossil fuel with agricultural waste and industrial.

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional) :

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

The Company is committed to environment protection, climate change and taking lot of initiatives to reduce carbon footprint. As a part of promoting renewal energy, we have installed WHRS (Waste Heat Recovery System) at Satna and Chanderia and solar power plant. We are always promoting energy efficient technology to ensure lower energy consumption. The Company, as a part of drive to conserve natural resources and to reduce energy consumption, consumes industrial waste by-products like fly ash, steel slag in the cement manufacturing process, which reduces greenhouse gas emission. Company also promotes solar power and is planning to install solar power plants at different factories. For further details please refer to Annexure – 'C' to the Director's Report covering inter-alia, details of Conservation of Energy.

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company's products are used by variety of consumers and it is neither feasible to measure reduction in the usage (energy, water) nor available with us. However at plant level we are taking following actions to reduce energy and water:

1. Use of alternative fuel for thermal substitution by using FMCG , Polyresidue Plastic and rice husk and replacing fossil fuel.
2. For water conservation, we collect rain water in our mined out area which is being used for plant and colony throughout the year. Also we have installed Air Cooled Condenser (ACC) at Chanderia 27 MW CPP . At Satna, the project of ACC is in progress which saves 90% water required for running Captive Power Plant.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company's main raw material is procured mostly through its own mines, situated close to plants. These are transported through long belt conveyors/ropeway. Majority of the Company's inward bulk materials are sourced from nearby areas in a sustainable manner.

The Company has its own slag processing (granulation) plant near to steel plant and procure fly ash and slag from nearby areas as much as possible.

The Company has started increasing the use of Alternate Fuel Resources (AFR) (bio mass, plastic wastes, co-processed industrial waste) to replace part of fossil fuel, in a sustainable manner.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The company encourages local vendors to supply its regular needs. The Company has trained and developed local contractors to meet its repair and maintenance needs as much as possible. These contractors employ workmen mostly from local villages.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Cement manufacturing process does not generate any by-product / waste as such. Fly Ash generated in the captive power plants is used in the cement manufacturing process itself. The company utilises wastes of other industries like steel plants, power plants and other chemical plants as additives in cement manufacture and thus contributes to sustainable development.

PRINCIPLE 3 : BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the Total number of employees.

The total number of employees is 5,909 as on 31st March, 2018.

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Total temporary/Contractual/Casual employees were 7,387 as on 31st March, 2018 out of which 403 comprises of Trainees and Apprentices.

3. Please indicate the Number of permanent women employees.

There were 28 permanent women employees as on 31st March, 2018.

4. Please indicate the Number of permanent employees with disabilities

There were 4 (four) permanent employees with disabilities as on 31st March, 2018.

5. Do you have an employee association that is recognized by management.

Yes

6. What percentage of your permanent employees is members of this recognized employee association?

27.20%.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	The Company does not employ such labour	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

	Safety training	Skill up-gradation training
(a) Permanent Employees	31.34%	36.56%
(b) Permanent Women Employees	14.29%	7.14%
(c) Casual/temporary/Contractual Employees	23.26%	19.47%
(d) Employees with Disabilities	Nil	Nil

PRINCIPLE 4 : BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. For Birla Corporation Limited, maintaining relationship with stakeholders is a business imperative. The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The company has mapped disadvantaged, vulnerable and marginalised stakeholders viz. communities in and around the areas of its significant operations, and is actively working towards their inclusive growth as part of company's CSR efforts.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company runs initiatives in the areas of Health Care including preventive health care and sanitation, providing safe drinking water, education, skill development leading to creation of alternative employment, Infrastructure development and ensuring environmental sustainability through agro forestry, conservation of natural resources and maintaining quality of soil, air and water, all directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalised stakeholders and

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

being instrumental in cultivating their progress. To achieve the same, the Company has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact.

PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   The Policy relating to respecting and promoting human rights covers the Company only. The Company encourage its business partners and third parties with whom it conducts business to abide by this policy.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During the financial year 2017-18, the Company did not receive any complaint with regard to violation of human rights.

PRINCIPLE 6 : BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.**

   The Policy relating to respecting, protecting and restoring the Environment covers the Company only.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Climate change, global warming and environmental risks are serious challenges that the company is fully engaged with and started various initiatives. The company proactively takes measure to reduce carbon foot print by trying to maximise production of blended cement. The Company has special program for tree plantation in the mined out areas, waste land and plant premises. The hyperlink for the same is http://www.birlacorporation.com/climatic.html.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. The Company identifies and assesses potential environmental risks periodically across its plant operations and projects. Company has invested heavily to mitigate new Environment norms which will be effective from 1st September, 2018.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Currently no projects related to Clean Development Mechanism (CDM) have been taken up by the Company. However, the Company has already completed CDM project on Waste Heat Recovery based power generation at Satna and Chanderia Unit. It is continuously endeavouring to identify opportunities to contribute in this regard.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment. The Company has installed, Waste Heat Recovery System, Solar Power System already, to reduce carbon emission. In addition, the Company has installed system for feeding alternate fuel (bio mass, plastic waste, co-processed industrial and chemical wastes etc.). In the coming periods, it is proposed to increase alternate fuel consumption to reduce the dependence on fossil fuel. For further details please refer to Annexure- 'C' to the Director's Report covering inter-alia, details of Conservation of Energy.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes. The emissions/waste generated by the Company are within the permissible limits for the financial year 2017-18.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There is 1 (one) case pending involving environment related issues as at end of the financial year 2017-18.

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

PRINCIPLE 7 : BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with :**

   The Company is a Member of the following trade/ chamber associations:

   (a) Indian Chamber of Commerce.

   (b) Cement Manufacturer's Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company continuously advocates the use of eco-friendly mining practices, use of alternative fuels, increase use of fly-ash, Installation of Waste Heat Recovery Plants in cement manufacturing units, energy conservation and construction of Concrete roads.

PRINCIPLE 8 : BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company has a continuous CSR programme at nearby villages to our operational units which focuses in to Livelihood enhancement where in the Company:

   1) conduct regular farmers meeting and train them towards advanced agriculture techniques so that they can use their land more effectively and increase their income.

   2) provide assistance to villagers for making Tree based farming (WADI) for Sustainable Livelihood.

   3) work for Livestock development in which we do AI (Artificial Insemination) with superior breed and provide livestock to villagers so that it increases their income by selling milk or selling goat or by way of poultry farming.

   4) Vocational skill training for Women empowerment such as Mushroom cultivation, Tank Fishery, manufacturing of bags and Sanitary napkins.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

   Programme / Projects are undertaken through In house team as well as thorough External NGO.

3. **Have you done any impact assessment of your initiative?**

   Our team / Field staffs are constantly in touch with farmers/ villagers and time to time senior officials go to said villages and take feedback from beneficiaries.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The Company has spent ₹ 424.04 Lakhs as part of its CSR initiatives. Details of the projects are given in Annexure- 'D'- Report on CSR Activities forming part of Director's Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes. The Company arrange regular meeting of company officials with villagers to ensure their satisfaction. NGO have created Self Help Group (SHG) and regularly keep meeting with them to explain benefits of the program. As a result of this, villager's mind-set have changed. More women are coming forward and earning independently. The Company has also implemented monthly reporting system which contains progress and development report of all the ongoing programmes.

BUSINESS RESPONSIBILITY REPORT 2017-18 (Contd.)

PRINCIPLE 9 : BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   The Company's uncompromising commitment to providing world class products and services to customers is supported by its concern for the safety of its customers. A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed and resolved. As on the end of the financial year, there was negligible percentage of unresolved complaints.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   Company displays all information as mandated by the regulations to ensure full compliance with relevant applicable laws.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   There are no cases in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Consumer Satisfaction Survey is carried out by the Company every year to gauge consumer sentiments and to take appropriate measures to increase customer satisfaction.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

Company's philosophy on Code of Governance is to achieve the highest levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the government. We believe that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. Focus of the Company has always been to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

2. BOARD OF DIRECTORS :

Board Composition :

The strength of the Board of Directors as on 31st March, 2018, is 10 (Ten). Of the 10 (Ten) Directors, 2 (Two) are Executive Directors and 8 (Eight) are Non-Executive Directors out of which 6 (six) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

None of the Directors of the Company are Members of more than 10 Committees (i.e. Audit Committee and Stakeholders Relationship Committee) nor Chairman of more than 5 such Committees (as specified in Regulation 26 of the Listing Regulations).

None of the Directors of the Company serves as an Independent Director in more than 7 (Seven) listed companies, nor any of the Whole-time Director serves as an Independent Director in more than 3 (Three) listed companies.

Directors' Profile:

The Board of Directors is composed of highly renowned professionals drawn from diverse fields, who bring with them a wide range of skill and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

Shri Harsh V. Lodha, Chairman of the Company, a Chartered Accountant, serves on the Board of several reputed companies and as Trustee and Managing Committee Member of many social and philanthropic organizations. He is the member of managing committee of Assocham and executive committee member of Indian Chamber of Commerce where he has also served as Vice President. He has served as member of the executive committee of FICCI and served as the Co-chairman of its Young Leaders Forum. He has served as member of the Accounting Standards Board of the Institute of Chartered Accountants of India.

Apart from handling audits of several large publicly quoted companies in India and other professional work, he has been involved in and handled several Advisory assignments in the fields of international takeovers and financing, domestic financing, project structuring, capital mobilisation, joint ventures/collaborations, mergers/ reconstructions and rehabilitation.

Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor, a former Managing Director of CEAT Tyres Ltd., is a Mechanical Engineer and a Management Advisor by profession. He has worked in the fields of design and project management of Chemicals, Petrochemical and Fertilizer Plants. He has worked with Hindustan Unilever Limited for about 12 years. Shri Majumdar attended various international management courses organized by Unilever and Executive Development Programmes and Advanced Management Programmes conducted by Stanford University and Harvard Business School.

Shri Vikram Swarup is the Managing Director of Paharpur Cooling Towers Limited. He is a Mechanical Engineer and is an acknowledged authority on thermal design of cooling towers in India. He has vast experience in Marketing, Engineering and other General Management functions. He is Vice Chairman of Kalyan Bharti Trust which owns and operates The Heritage Group of Educational Institutions in Kolkata, Chairman of the School Management Committee of The Heritage School and Vice Chairman of the Board of Governors of the Heritage Institute of Technology. He is also on the Executive Committee of the Indo-Italian Chamber of Commerce & Industries.

Shri Anand Bordia, Member of the Indian Revenue Service, was First Secretary, Trade High Commission of India, London, and worked in the Secretariat of the World Customs Organization, Brussels, for seven years. He held various senior positions in the Central Government. He was a Member of Finance at the National Highways Authority of India. He

REPORT ON CORPORATE GOVERNANCE (Contd.)

undertook consultancy projects for the Harvard Institute for International Development, UNODC and Asian Development Bank.

Shri Brij Behari Tandon, Former Chief Election Commissioner of India, also served as a Member of the Delimitation Commission. He was Secretary, Ministry of Personnel, as well as Secretary, Mines to the Government of India. He served as Additional Secretary in the Department of Company Affairs and Cabinet Secretariat. He was the convener of the Working Group on Revision of the Companies Act, 1956. In the State Government of Himachal Pradesh, he served as Principal Secretary, Department of Industries and Power as well as Chairman of the H.P. State Electricity Board. He is presently serving on the Board of a number of reputed companies.

Shri Dhruba Narayan Ghosh was the former Secretary to the Govt. of India and a former Chairman of State Bank of India. He was the Founder Chairman of ICRA Ltd., the premier Rating Agency and former Chairman of Larsen & Toubro Ltd., Philips (India) Ltd. and the Management Development Institute, Gurgaon and Founder Chairman of the Indian Institute of Management, Lucknow.

Dr. Deepak Nayyar is an eminent economist and Emeritus Professor of Economics at Jawaharlal Nehru University. He has also taught at the University of Oxford, University of Sussex, IIM Calcutta and the New School of Social Research, New York. He was a Rhodes Scholar at Oxford and is Honorary Fellow, Balliol College, Oxford. He served as Chief Economic Advisor to the Government of India and Secretary, Ministry of Finance and was Vice Chancellor, University of Delhi. He has published 16 books and more than 75 papers in academic journals. Dr. Nayyar was an Independent Director on the Board of ICRA, SAIL and ONGC. He is currently serving on the Board of The Press Trust of India Limited.

Ms. Shailaja Chandra was a Member of the Indian Administrative Service (IAS) and a civil servant for 38 years who has distinguished herself in several roles including as Delhi's only woman Chief Secretary. Ms. Chandra also has additional 10 years of experience in Public Governance. Apart from 15 years of experience with the Central Government where Ms. Chandra held assignments in the Ministries of Defence, Power and Health, Ms. Chandra has worked in different parts of the country with the State Governments. She was Health Secretary in Delhi and joined the Government of India as Joint Secretary in the Ministry of Health & Family Welfare where she was promoted as Additional Secretary and later Secretary in the same Ministry. Ms. Chandra was Chairman, Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and was the first Executive Director of the National Population Stabilisation Fund, Ministry of Health & Family Welfare, Government of India.

Shri Dilip Ganesh Karnik, Arbitrator and Legal Consultant, retired as a Judge of Bombay High Court in May 2012. He was elevated as Additional Judge of the Court in October 2001. A practicing advocate from 1972 to 2001, he was a Gold Medalist in Law from the University of Pune.

Shri Bachh Raj Nahar, Managing Director, is an eminent Chartered Accountant and has served in diverse fields at senior positions in large corporate houses. *Businessworld* magazine has identified him as the Most Valuable CEO among India's midsize cement companies at its issue dated 29th November, 2010.

Directors' induction, familiarisation and training:

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility.

Directors are regularly briefed about the industry's specific issues to enable them to understand the business environment in which the company operates. To enhance their skills and knowledge, the Directors are regularly updated on the changes in the policies, laws and regulations, developments in the business environment etc. The Board members are provided necessary documents, reports and other presentations about the Company from time to time.

Efforts are also made to familiarise the Directors about their roles, rights, responsibility in the Company, its business model and the environment in which the Company operates.

The details of such familiarisation programmes have been placed in the website of the Company under the web link/url: http://www.birlacorporation.com/directors-induction.html

Meetings, attendance and agenda of the Board Meetings:

During the year 2017-18, 4 (Four) Meetings of the Board of Directors of the Company were held on 26th May, 2017, 12th August, 2017, 11th November, 2017 and 10th February, 2018. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

All the agenda items are backed by necessary supporting information and documents to enable the Board to take

REPORT ON CORPORATE GOVERNANCE (Contd.)

informed decisions. The Chairman along with the Managing Director and/or the Chief Financial Officer, Executive Presidents of the Company makes presentation on the quarterly and annual operating and financial performance and on annual operating and capex budget. Presentations relating to major projects for which Board's approval are sought are also made. Post meetings, important decisions taken by the Board are communicated to the concerned officials and departments. The Board is also kept abrieved about the developments on various functional areas.

The composition and category of the Board of Directors, their relationship with other Directors, their attendance at the Board Meetings held during the year 2017-18 as well as at the last Annual General Meeting, number of Directorships and Committee Memberships/Chairmanships in other Companies and number of shares held by them as on 31st March, 2018 are as follows :

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 31.07.2017@	No. of shares held	No. of other Directorship$	Details of other Board Committee / Membership #	
						Member	Chairman
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive	4	P	1260*	7	–	–
Shri Pracheta Majumdar (Whole time Director designated as Chief Management Advisor)	Executive	3	P	500*	1	1	–
Shri Vikram Swarup	Independent Non-Executive	4	P	500*	5	–	–
Shri Anand Bordia	Independent Non-Executive	2	A	500*	2	1	1
Shri Brij Behari Tandon	Independent Non-Executive	4	A	500*	7	4	3
Shri Dhruba Narayan Ghosh	Independent Non-Executive	4	A	500*	2	1	–
Dr. Deepak Nayyar	Independent Non-Executive	3	A	500*	1	1	–
Ms. Shailaja Chandra	Independent Non-Executive	4	A	500*	4	1	–
Shri Dilip Ganesh Karnik (Appointed w.e.f. 11.11.2017)	Non-Independent Non-Executive	0	NA	500	5	2	–
Shri Bachh Raj Nahar (Managing Director)	Executive	4	P	500*	5	–	–

@ P= Present, A= Absent, NA= Not Applicable.

* Shares held jointly with other shareholders.

$ Excludes Alternate Directorships, Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

Only covers Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies.

No Director is related to any other Director on the Board.

The requisite quorum was present at all the Board and Committee Meetings.

Video Conferencing :

The Companies Act, 2013 read with the relevant rules made thereunder, facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing. During the year 2017-18, none of the directors participated in the Board Meeting through video conferencing.

Information Placed before Board of Directors :

The Company has complied with Part A of Schedule II of the Listing Regulations read with Regulation 17(7) of the said Regulations with regard to information being placed before the Board of Directors.

Code of Conduct :

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company.

All Board members and senior management personnel have confirmed compliance with the code of conduct during the year 2017-18.

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

Code of Conduct of Independent Directors :

As per the provisions of Section 149(8) of the Companies Act, 2013, the Company and independent directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013. Further, Schedule IV lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company and the same has also been placed on the website of the Company.

3. AUDIT COMMITTEE

3.1 The Company has an Audit Committee functioning since 1987. The role and terms of reference of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. The Committee acts as a link between the statutory and internal auditors and the Board of Directors. All the Members of the Audit Committee are financially literate.

3.2 The brief terms of reference of the Audit Committee shall include the following :

REPORT ON CORPORATE GOVERNANCE (Contd.)

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to :
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Qualifications/Modified opinions in the draft audit reports.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.3 During the year 2017-18, 4 (Four) meetings of the Audit Committee of the Company were held on 25th May, 2017, 11th August, 2017, 10th November, 2017 and 9th February, 2018. The gap between any two consecutive meetings did not exceed 120 days complying with the provisions of the Companies Act, 2013 and provisions of Listing Regulations. The composition of the Committee and the attendance of

members of the Committee during the year 2017-18 is as under :

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	4
Shri Anand Bordia	Independent Non-Executive Director	2
Shri Brij Behari Tandon	Independent Non-Executive Director	4
Dr. Deepak Nayyar	Independent Non-Executive Director	4

The Managing Director, Chief Financial Officer, Executive Presidents, Head of Management Audit Department and representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. Internal Auditors are also invited for discussion with the Audit Committee members. The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 attend the Audit Committee Meeting, where cost audit reports are discussed.

The Company Secretary acts as the Secretary to the Committee.

All recommendations made by the Audit Committee were accepted by the Board of Directors of the Company during the year 2017-18.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 31st July, 2017.

4. NOMINATION AND REMUNERATION COMMITTEE :

4.1 The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The brief terms of reference of the Committee are as follows:

i) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees;

ii) formulation of criteria for evaluation of performance of Independent Directors and the Board;

iii) devising a policy on Board's diversity;

iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance;

v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

4.2 During the year 2017-18, 2 (Two) meetings of the Nomination and Remuneration Committee of the Company were held on 25th May, 2017, and 29th September, 2017. The composition of the Committee and the attendance of members of the Committee during the year 2017-18 is as under :

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	2
Shri Harsh V. Lodha	Non-Independent Non-Executive Director	2
Shri Anand Bordia	Independent Non-Executive Director	1
Shri Brij Behari Tandon	Independent Non-Executive Director	2
Dr. Deepak Nayyar	Independent Non-Executive Director	2

All recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company during the financial year 2017-18.

4.3 **Remuneration Policy :**

Pursuant to provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy for Directors and Senior Management, the details of which forms part of the Directors' Report.

4.4 **Performance Evaluation criteria :**

The Nomination and Remuneration Committee of the Board approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Companies Act, 2013 and the Rules made thereunder and Listing Regulations, both in respect of Independent Directors and other Directors as applicable. The details in this regard are covered in the Directors' Report.

4.5 **Details of remuneration paid/payable to the Executive/ Non Executive Directors during the financial year ended 31st March, 2018 :**

(a) **Shri Bachh Raj Nahar, Managing Director:** (₹ in Lakhs)

Name	Salary	Perquisites & Allowances*	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2017-18	Period of Service Contract
Shri Bachh Raj Nahar	131.04	235.36	-	60.00	426.40	5 Years w.e.f. 03.08.2014

* Including Retirement benefits.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(b) **Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor:**

(₹ in Lakhs)

Name	Salary	Perquisites & Allowances	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2017-18	Period of Service Contract
Shri Pracheta Majumdar	84.25	0.60	–	37.00	121.85	5 Years w.e.f. 20.05.2013

(c) **Non-Executive Directors :** (in ₹)

Name	Sitting Fees
Shri Harsh V. Lodha	600000
Shri Vikram Swarup	1150000
Shri Anand Bordia	450000
Shri Brij Behari Tandon	1050000
Shri Dhruba Narayan Ghosh	550000
Dr. Deepak Nayyar	900000
Ms. Shailaja Chandra	500000
Shri Dilip Ganesh Karnik	–

No remuneration other than the sitting fees for attending Board and Committee Meetings was paid to the Non-Executive Directors. There is no other pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE :

5.1 Stakeholders Relationship Committee shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations and inter alia approves transfer and transmission of shares, issue of duplicate/re-materialized shares and consolidation and splitting of certificates, redressal of complaints from investors etc.

5.2 Stakeholders Relationship Committee has been empowered to deal with and dispose of the instruments of transfer of shares in the Company including power to reject transfer of shares in terms of the provisions of the Companies Act, 2013, Securities Contract (Regulations) Act, Listing Regulations and the Company's Articles of Association and take necessary actions as may be required for the purpose and shall consider and resolve the grievances of shareholders and debenture holders of the Company including complaints related to non-receipt of balance sheet and non-receipt of declared dividends and interest on debentures.

5.3 During the year 2017-18, 4 (Four) meetings of the Stakeholders Relationship Committee of the Company were held on 26th May, 2017, 12th August, 2017, 11th November, 2017 and 10th February, 2018. The composition of the Committee and the attendance of members of the Committee during the year 2017-18 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non Independent Non-Executive Director	4
Shri Pracheta Majumdar	Executive Director	3
Shri Vikram Swarup	Independent Non-Executive Director	4
Shri Bachh Raj Nahar	Executive Director	4

5.4 In addition, the Stakeholders Relationship Committee approved 21 Resolutions by Circulation for effecting registration of transfer of shares and other issues concerning investor services during the year.

The Company has received 4 (Four) complaints from the shareholders during the year 2017-18 and the same has been processed in time and replied/resolved to the satisfaction of the shareholder.

Further, all the requests for transfer of shares has been processed in time and no transfer was pending for registration for more than 15 days.

As on 31st March, 2018, no grievances of the Shareholders remained unaddressed/pending.

Shri Girish Sharma, Company Secretary is the Compliance Officer of the Company.

6. COMMITTEE OF DIRECTORS :

6.1 The Committee of Directors has been constituted by the Board of Directors of the Company with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.

6.2 During the year 2017-18, no meeting of the Committee of Directors of the Company was held. The composition of the Committee is as under:

Name of the Member	Category
Shri Harsh V. Lodha	Non-Independent Non-Executive Director
Shri Vikram Swarup	Independent Non-Executive Director
Shri Pracheta Majumdar	Executive Director
Shri Bachh Raj Nahar	Executive Director

REPORT ON CORPORATE GOVERNANCE (Contd.)

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE :

7.1 The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014.

7.2 The terms of reference of the Corporate Social Responsibility Committee of the Company are as under:

(a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;

(b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a Financial Year;

(c) to monitor the Corporate Social Responsibility Policy of the company from time to time; and

(d) any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

7.3 During the year 2017-18, 2 (Two) meetings of the CSR Committee were held on 26th May, 2017, and 11th November, 2017. The composition of the Committee and the attendance of members of the Committee during the year 2017-18 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	2
Shri Vikram Swarup	Independent Non-Executive Director	2
Shri Brij Behari Tandon	Independent Non-Executive Director	2
Shri Dhruba Narayan Ghosh	Independent Non-Executive Director	2

8. INDEPENDENT DIRECTORS' MEETING :

During the year under review, the Independent Directors met on 26th May, 2017, inter-alia, to discuss :

8.1 Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.

8.2 Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.

8.3 Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The attendance of Directors at the meeting held during the year 2017-18 is as under :

Name of the Member	Attendance
Shri Dhruba Narayan Ghosh *	Present
Shri Vikram Swarup	Present
Shri Anand Bordia	Absent
Shri Brij Behari Tandon	Present
Dr. Deepak Nayyar	Present
Ms. Shailaja Chandra	Present

* Shri Dhruba Narayan Ghosh was unanimously elected as the Chairman of the Meeting.

9. SUBSIDIARY COMPANIES :

Reliance Cement Company Private Limited (RCCPL) is a material non-listed Indian Subsidiary Company in terms of Regulation 24 of the Listing Regulations. Shri Vikram Swarup, Independent Director of the Company have been appointed on the Board of RCCPL. Shri Harsh V. Lodha, Chairman, Shri Pracheta Majumdar, Whole-time Director designated as Chief Management Advisor and Shri Bachh Raj Nahar, Managing Director of the Company were also appointed on the Board of RCCPL.

The Company monitors performance of the subsidiary companies, inter-alia, by the following means :

a) Financial statements, in particulars the investments made by unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.

b) Minutes of the Meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.

c) A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board / Audit Committee.

10. GENERAL BODY MEETINGS :

10.1 The details of Annual General Meetings held during last 3 years are as under :

Year	Venue	Date	Time
2016-17	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	31.07.2017	10.30 A.M
2015-16	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	08.07.2016	10.30 A.M.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Year	Venue	Date	Time
2014-15	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	02.07.2015	10.30 A.M.

10.2 In accordance with the law, voting (electronically and by physical ballot) was conducted on all the resolutions of the Notice and all the members were given an option to vote through electronic means using the NSDL platform.

10.3 No Special Resolutions were passed during the Annual General Meeting held on 2nd July, 2015.

10.4 At the Annual General Meeting of the Company held on 8th July, 2016, 1 (One) Special Resolution was passed u/s 196(3) of the Companies Act, 2013 for continuation of holding of office by Shri Pracheta Majumdar (DIN: 00179118), Wholetime Director designated as Chief Management Advisor.

10.5 No Special Resolutions were passed during the Annual General Meeting held on 31st July, 2017.

10.6 No Special Resolution was passed through Postal Ballot during the Financial Year 2017-18. At present, there is no proposal for passing any Special Resolution through Postal Ballot.

11. DISCLOSURES :

i) Disclosure on materially significant related party transactions :

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2017-18 were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2017-18 which were in conflict with the interest of the Company.

Suitable disclosure as required by the Indian Accounting Standard (IND-AS 24) has been made in the Note No. 59 of the Financial Statements.

The Policy on Related Party Transaction can be accessed at the link http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf

ii) Disclosure on Accounting Treatment :

In the preparation of the financial statements, the Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, the Companies Act, 2013 and has also adopted IND AS. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets :

The Company has complied with all the requirements of the Listing Regulations as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to Capital Markets during the last three years.

iv) Risk Management :

The Company has laid a comprehensive Risk Assessment and Minimization Procedure which was presented to the Audit Committee and reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The Risk assessment procedures are updated as per requirements to ensure that the risks are properly dealt and mitigated.

v) Vigil Mechanism/Whistle Blower Policy :

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4 of the Listing Regulations, the Company has framed a Vigil Mechanism/ Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee.

vi) Details of compliance with mandatory requirements and adoption of non-mandatory requirements :

The Company has complied with all the applicable mandatory requirements of the Listing Regulations. The Company has not adopted the non-mandatory requirements of the Listing Regulation except that relating to the appointment of separate post of Chairman and Managing Director.

vii) Policy for determining 'Material' Subsidiaries :

The Company's Policy on "Material Subsidiary" is placed on the Company's website and can be accessed through link: http://www.birlacorporation.com/investors/policies/policy-on-material-subsidiary.pdf

viii) There has been no instance of non-compliance of any requirement of Corporate Governance Report.

REPORT ON CORPORATE GOVERNANCE (Contd.)

ix) The Company has fully complied with the applicable requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

12. PREVENTION OF INSIDER TRADING :

The Company has formulated and adopted an Internal Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

Further the said has been amended and approved by the Board of Directors at its meeting held on 10th February, 2018.

The said Code is applicable to all Designated Persons, Promoters and Insiders of the Company and its subsidiaries. This new code is also placed on the Company's website and can be accessed through link:

http://www.birlacorporation.com/investors/code-of-conduct/bcl-insider-trading.pdf

The Board of Directors and the designated employees have confirmed compliance with the Code.

13. CEO & CFO CERTIFICATION :

The Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of the Listing Regulations and the same is attached and forms part of the Annual Report.

14. COMPLIANCE CERTIFICATE OF THE AUDITORS :

Certificate from the Company's Statutory Auditors M/s. V. Sankar Aiyar & Co., Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under the Listing Regulations is attached and forms part of the Directors' Report.

15. MEANS OF COMMUNICATION :

The quarterly, half-yearly and the annual financial results are published in English and vernacular newspapers and are also furnished to the Stock Exchanges with whom the Company has listing arrangements to enable them to put the same on their websites. The Company has its own website i.e. www.birlacorporation.com wherein all relevant information along with the financial results and shareholding patterns are available. As per the requirements of the Listing Regulations, all the data related to quarterly financial results, shareholding pattern etc. are also furnished to the Stock Exchanges. The Management Discussion and Analysis, forms part of the Directors' Report and is covered in the Annual Report.

16. GENERAL SHAREHOLDERS' INFORMATION :

16.1 **Annual General Meeting**

Date and Time : 20th July, 2018, 10.30 A.M.

Venue : Kalpataru Uttam Mancha,
10/1/1, Monohar Pukur Road
Kolkata – 700 026

16.2 **Financial Year** : 1st April to 31st March

16.3 **Financial Calendar (tentative and subject to change)**

1st Quarterly Results 2nd Quarterly/Half yearly Results 3rd Quarterly Results	}	Within 45 days of the end of the quarter
Audited yearly Results for the year ending 31st March, 2019	:	Within 60 days of the end of the Financial Year

16.4 **Date of Book closure** : 14th July, 2018 to 20th July, 2018 (both days inclusive)

16.5 **Dividend Payment date** :

Credit/dispatch of dividend warrants between 21st July, 2018 to 28th July, 2018.

16.6 **Listing of Shares & Debentures** :

A. Ordinary Shares

The Ordinary shares are at present listed at the following Stock Exchanges.

	Name of the Stock Exchanges	Stock Code/Symbol
1.	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051.	BIRLACORPN – EQ
2.	BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.	500335

B. Debentures

The Privately placed Secured Redeemable Non-Convertible Debentures are listed on the Wholesale Debt Market Segment of BSE Limited.

C. Debenture Trustees

IDBI Trusteeship Services Limited
Asian Bldg., Ground Floor
17, R.Kamani Marg, Ballard Estate
Mumbai- 400001

REPORT ON CORPORATE GOVERNANCE (Contd.)

16.7 **ISIN Code for the Company's Ordinary Shares :**

INE340A01012

16.8 **ISIN Code for various series of Debentures is as under :**

Secured Redeemable Non-Convertible Debentures Series –3	INE340A07050
Secured Redeemable Non-Convertible Debentures Series –4	INE340A07068
Secured Redeemable Non-Convertible Debentures Series –5	INE340A07076
Secured Redeemable Non-Convertible Debentures Series –6	INE340A07084
Secured Redeemable Non-Convertible Debentures Series –7	INE340A07092

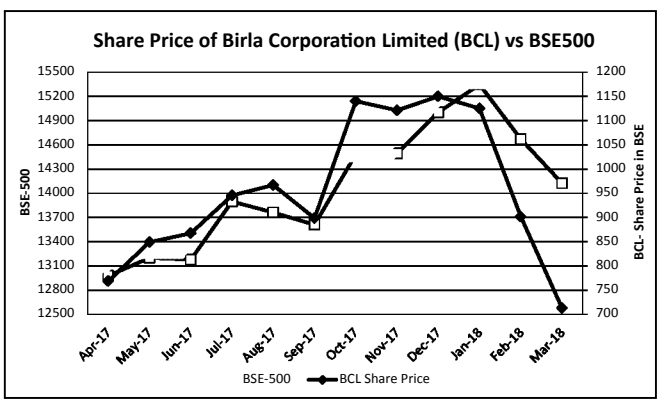
Annual Listing fees as prescribed, has been paid by the Company to the above Stock Exchanges for the financial year 2017-18.

16.9 **Corporate Identity Number (CIN) :**
L01132WB1919PLC003334

16.10 **Market Price Data during financial year 2017-2018 :**

Month	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
April, 2017	779.15	725.70	782.25	734.95
May, 2017	852.20	705.00	855.00	729.00
June, 2017	928.00	844.00	929.95	845.05
July, 2017	964.95	852.10	969.00	858.80
August, 2017	980.00	910.05	972.95	906.20
September, 2017	984.60	847.00	980.10	844.15
October, 2017	1179.30	891.25	1176.50	895.00
November, 2017	1228.75	1066.35	1225.00	1065.00
December, 2017	1211.95	1077.00	1181.90	1091.00
January, 2018	1290.00	1082.00	1265.95	1073.35
February, 2018	1200.00	870.10	1209.20	865.10
March, 2018	919.00	685.00	918.00	682.00

16.11 **Stock Performance in comparison to broad-based indices :**



Note – Indicates monthly closing positions

16.12 **Registrar & Share Transfer Agent :**

MCS Share Transfer Agent Limited.
12/1/5 Monohar Pukur Road, Kolkata -700 026.
Phone : (033) 4072 4051 to 4053
Fax : (033) 4072 4054
E-mail : mcssta@rediffmail.com

16.13 **Share Transfer System :**

Share transfers in physical form are generally registered within 15 days from the date of receipt provided that the documents are found to be in order. Stakeholders Relationship Committee considers and approves the transfer proposals.

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

16.14 **Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on equity :**

Nil.

16.15 **Commodity price risk or foreign exchange risk and hedging activities:**

The Board monitors the foreign exchange exposures on a regular basis and the steps taken by the management to limit the risks of adverse exchange rate movement.

During the year 2017-18, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 55.3.2 to the Annual Standalone Financial Statement.

16.16 **Dividend History for the last 5 years is as under :**

Financial Year	Date of Declaration	Dividend per Share (₹)
2017 – 2018	20.07.2018*	6.50
2016 – 2017	31.07.2017	6.50
2015 – 2016	08.07.2016	6.00
2014 – 2015	02.07.2015	6.00
2013 – 2014	21.08.2014	6.00
2012 – 2013 (Final)	10.07.2013	4.50
2012 – 2013 (Interim)	09.11.2012	2.50

* Subject to approval of shareholders.

REPORT ON CORPORATE GOVERNANCE (Contd.)

16.17 **Unclaimed Dividends :**

The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During financial year 2018-19, final dividend for the year 2010-11 declared at the AGM of the Company held on 27.06.2011 and interim Dividend for the year 2011-12 declared on 24.11.2011 which have remained unpaid/ unclaimed on respective due dates i.e. 03.08.2018 and 06.12.2018, will be transferred to the IEPF Authority.

16.18 **Transfer of Shares to Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years) :**

In terms of Section 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the financial year 2017-18, the Company has transferred 1,63,451 equity shares to the demat account of IEPF Authority in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 31st October, 2017 and 1st December, 2017.

All Shares in respect of which dividends has remained unpaid/ unclaimed for a consecutive period of seven years or more since 2010-11 will also be transferred to the IEPF Authority. As required under the said Rules, the Company will publish Notices in the newspapers inviting the Members attention to the aforesaid Rules. The Company will also send out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

Further, it may also be noted that in terms of Section 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, shares and dividends which have been transferred to the IEPF Authority may be claimed by making an online application in Form No. IEPF-5, which is available at www.iepf.gov.in

16.19 **Details of outstanding shares in the Unclaimed Suspense Account:**

In terms of Regulation 39(4) read with Schedule VI of the Listing Regulations, the details in respect of ordinary shares lying in the suspense account which was issued in demat form and physical form, respectively, are as under:

Particulars	Demat		Physical	
	Number of Share-holders	Number of Ordinary Shares	Number of Share-holders	Number of Ordinary Shares
Aggregate Number of share-holders and outstanding shares in the Unclaimed Suspense Account lying at the beginning of the year	302	74851	0	0
Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Sus-pense Account during the year	3	46	0	0
Number of shareholders and shares transferred to the IEPF Authority from the Unclaimed Suspense Account	191	43290	0	0
Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	0	0	0	0
Aggregate Number of share-holders and the outstanding shares in the Unclaimed Sus-pense Account lying at the end of the year	108	31515	0	0

The voting, dividend and other rights on the shares in the suspense account as on 31st March, 2018 shall remain frozen till the rightful owners of such shares claim the shares.

16.20 **Distribution of shareholding as on 31st March, 2018 :**

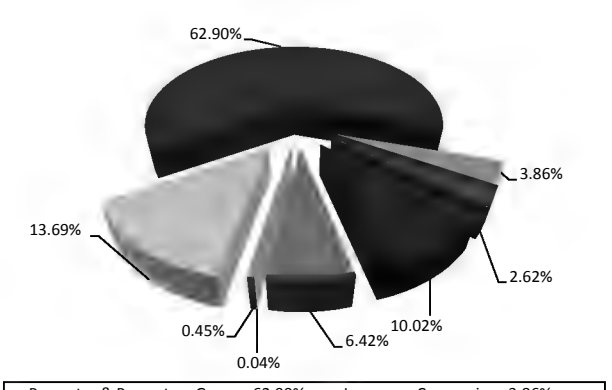
No. of Ordinary Shares held	No. of shareholders	% of shareholders	No. of Ordinary Shares	% of shareholding
Upto 500	40190	93.61	4495745	5.84
501 to 1000	1547	3.60	1123091	1.46
1001 to 2000	615	1.43	879744	1.14
2001 to 3000	190	0.44	470787	0.61
3001 to 4000	78	0.18	274124	0.36
4001 to 5000	54	0.13	248091	0.32
5001 to 10000	99	0.23	729601	0.95
10001 & above	163	0.38	68784164	89.32
TOTAL	**42936**	**100.00**	**77005347**	**100.00**

16.21 **Shareholding Pattern :**

The shareholding of different categories of the shareholders as on 31st March, 2018 is given below:-

REPORT ON CORPORATE GOVERNANCE (Contd.)

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2018



16.22 **Dematerialisation of Shares and liquidity :**

As on 31st March, 2018, 99.43% of the Company's total ordinary shares representing 76569302 shares were held in dematerialised form and 436045 shares representing 0.57% of paid-up share capital were held in physical form.

16.23 **Reconciliation of Share Capital Audit :**

As stipulated by the Securities and Exchange Board of India (SEBI), a practicing Chartered Accountant carries out the Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. 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.

16.24 **Plant Locations :**

Birla Corporation Limited :

The Company's plants are located at Satna (Madhya Pradesh), Chanderia (Rajasthan), Kolkata, Birlapur and Durgapur (West Bengal), Raebareli (Uttar Pradesh), Chakan (Maharashtra) and Gurgaon (Haryana).

Reliance Cement Company Private Limited (wholly owned subsidiary of the Company) :

The plants of Reliance Cement Company Private Limited are located at Maihar (Madhya Pradesh), Kundanganj (Uttar Pradesh) and Butibori (Maharashtra).

16.25 **Address for Correspondence :**

The shareholders may address their communications/ suggestions / grievances / queries to :

The Company Secretary,
Birla Corporation Limited,
Birla Building,
9/1, R. N. Mukherjee Road, Kolkata-700 001
Tel. No. : (033) 66166729, 66166738, 66166737
Fax : (033) 2248-7988/2872

16.26 **Exclusive e-mail id for Investors' Grievances :**

Pursuant to Regulation 85 of the Listing Regulations, the following e-mail id has been designated for communicating investors' grievances: **investorsgrievance@birlacorp.com**

16.27 **E-mail id pursuant to Green Initiative in the Corporate Governance :**

For registering the e-mail id for receiving the notices/ documents including Annual Reports of the Company electronically the following e-mail id has been designated: **greeninitiative@birlacorp.com**

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2018 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **BIRLA CORPORATION LIMITED**

(B.R. NAHAR)
Managing Director

Dated : the 16th May, 2018

REPORT ON CORPORATE GOVERNANCE (Contd.)

16th May, 2018

The Board of Directors
Birla Corporation Limited
9/1, R. N. Mukherjee Road
Kolkata – 700 001

Certification by Chief Executive Officer (CEO) & Chief Financial Officer (CFO)

We, B.R. Nahar, Managing Director and A. Saraogi, Chief Financial Officer of Birla Corporation Limited certify that:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2018 and that to the best of our knowledge and belief, we state that :

   i) these statements do not contain any materially untrue statement, or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and Audit Committee :

   i) significant changes, if any, in the internal controls over financial reporting during the year;

   ii) significant changes, if any, 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 therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **BIRLA CORPORATION LIMITED**

(B.R. NAHAR)
Managing Director

For **BIRLA CORPORATION LIMITED**

(A. SARAOGI)
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE (Contd.)

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

1. We have examined the compliance of regulations of Corporate Governance by Birla Corporation Limited ('the Company') for the year ended 31st March, 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2018. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner
Membership No : 024282

Place : Kolkata
Dated : 16th May, 2018

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of **BIRLA CORPORATION LIMITED**

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of BIRLA CORPORATION LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Company for the year ended 31st March, 2017 included in these standalone Ind AS financial statements, is based on the Ind AS financial statement for the year ended 31st March, 2017 which were audited by the predecessor auditor who had expressed an unmodified opinion. Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016

("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that :

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash flow statement and the statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rule issued thereunder;

   e) On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 41.1 to 41.6 to the standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282

Place : KOLKATA
Date : 16th May, 2018

ANNEXURE-A REFERRED TO IN THE INDEPENDENT AUDITORS' REPORT to the Members of Birla Corporation Limited on the Standalone Accounts for the year ended 31st March, 2018.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management/ outside agencies in phased manner and reconciled with books of account, except in case of Soorah Jute Mills (due to suspension of work) carrying value other than land and building, at Rs. 29.50 lakh and Auto Trim Division at Gurgaon & Chakan, carrying value other than land and building, at Rs.175.67 lakh, where verification could not be done. We are informed that no major discrepancies were noticed on such verification. Minor discrepancies stands adjusted in the accounts. In our opinion, the frequency of verification is reasonable in relation to the size of the Company.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed etc., provided to us, we report that the title deeds of immovable properties are held in the name of the Company. The title deeds relating to certain immovable properties including land have been pledged as security with banks and financial institution for loans, guarantees etc., are held in the name of the Company based on the confirmations from the respective banks/ financial institutions.

(ii) The stock of finished goods, stores, spare parts and raw materials have been physically verified by the management/ outside agencies at reasonable intervals during the year, except for Soorah Jute Mills (due to suspension of work) and Auto Trim Division at Gurgaon and Chakan, where verification could not be done. We are informed that inventory held at these locations were insignificant. No material discrepancies were noticed on physical verification and minor discrepancies stands adjusted in the accounts.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a), (b) & (c) of the Order are not applicable.

(iv) The Company has not given any loan or provided any guarantees or security to parties covered under section 185 of the Companies Act, 2013. In respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 186 of the Companies Act, 2013.

(v) The Company has not accepted deposits during the year from the public within the provisions of section 73 to 76 or any other provisions of the Companies Act, 2013 and the Rules framed thereunder.

(vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2018, which were outstanding for a period of more than six months from the date they became payable.

(b) The disputed dues of different years, relating to income-tax, service-tax, sales-tax or duty of customs or duty of excise or value added tax, which have remained unpaid as on 31st March, 2018 for which appeals are pending as under:

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which amount relates	Forum where the dispute is pending
Sales Tax & VAT Laws	Sales Tax and VAT	1,629.76	1994 to 2015	Department/ 1st Appellate Authority
		170.58	1989 to 2008	Authority Tribunals
		312.46	1989 to 2015	High Court and above
Central Excise Act, 1944	Excise Duty	1,648.71	1980 to 2018	Department/ 1st Appellate Authority
		2,696.79	2002 to 2016	Authority Tribunals
Finance Act, 1994	Service Tax	130.71	2004 to 2016	Department/ 1st Appellate Authority
		1,259.41	2005 to 2018	Authority Tribunals

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which amount relates	Forum where the dispute is pending
Customs Act, 1962	Custom Duty	198.59	2012 to 2014	Authority Tribunals
The Income Tax Act, 1961	Income Tax	1,224.04	AY 2011-12 to 2014-15	Department/ 1st Appellate Authority

(viii) On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. In the case of debentures no repayment has fallen due.

(ix) In our opinion and according to the information and explanations given to us, term loans taken during the year were applied for the purpose for which the loans were obtained. The Company has not raised moneys by way of public offer (including debt instruments). Proceeds from foreign currency loans raised in earlier years and remain unutilized, due to delays in execution of projects, as at 1st April, 2017 amounting to Rs.13,488.62 lakh were subsequently utilized during the year at various dates and a sum of Rs.1,613.54 lakhs remained unutilized as at the end of the year.

(x) Based on the audit procedures performed and representation obtained from the management, we report that no case of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 to the extent applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282

Place : KOLKATA
Date : 16th May, 2018

ANNEXURE-B REFERRED TO IN THE INDEPENDENT AUDITORS' REPORT to the Members of Birla Corporation Limited on the Standalone Accounts for the year ended 31st March, 2018.

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting(the "Guidance Note") issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282

Place : KOLKATA
Date : 16th May, 2018

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in lacs)

	Note No.	As at 31st March, 2018		As at 31st March, 2017	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	**5**	3,04,175.20		2,00,757.22	
Capital Work-In-Progress	**5**	9,485.05		5,867.08	
Investment Property	**6**	17.84		18.34	
Intangible Assets	**7**	913.43		368.32	
Intangible Assets under development	**7**	235.88		192.46	
Biological Assets other than Bearer Plants	**8**	92.27		82.02	
Investment in Subsidiaries & Associates	**9**	2,28,124.83	**5,43,044.50**	2,26,251.62	**4,33,537.06**
Financial Assets					
Investments	**10**	36,683.75		33,144.18	
Loans	**11**	301.25		345.63	
Other Financial Assets	**12**	2,670.68		3,393.50	
Non Current Tax Asset (Net)		3,258.73		5,341.66	
Other Non-Current Assets	**13**	5,765.58	**48,679.99**	5,519.82	**47,744.79**
CURRENT ASSETS					
Inventories	**14**	52,840.79		49,033.05	
Financial Assets					
Investments	**15**	41,274.89		33,236.97	
Trade Receivables	**16**	15,895.46		8,948.93	
Cash and Cash Equivalents	**17**	8,909.55		7,747.04	
Bank Balances other than Note 17	**18**	11,098.03		22,325.22	
Loans	**11**	135.20		154.38	
Other Financial Assets	**12**	20,096.17		19,274.67	
Current Tax Asset (Net)		5,334.87		–	
Other Current Assets	**13**	19,191.16		19,590.84	
Non-Current Assets classified as Held for Sale	**19**	41.94	**1,74,818.06**	128.12	**1,60,439.22**
Total Assets			**7,66,542.55**		**6,41,721.07**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	**20**	7,700.89		7,700.89	
Other Equity	**21**	4,05,143.75	**4,12,844.64**	3,09,711.77	**3,17,412.66**
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	**22**	1,71,214.61		1,83,533.11	
Other Financial Liabilities	**23**	30,155.56		22,880.54	
Provisions	**24**	2,812.64		2,927.67	
Deferred Tax Liabilities (Net)	**25**	33,428.08		16,024.42	
Non Current Tax Liabilities (Net)		56.13		763.76	
Other Non Current Liabilities	**26**	18,249.81	**2,55,916.83**	19,178.20	**2,45,307.70**
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	**27**	3,676.09		2,138.58	
Trade Payables	**28**	30,924.80		19,354.93	
Other Financial Liabilities	**23**	44,405.13		39,925.28	
Other Current Liabilities	**26**	17,319.49		14,704.60	
Provisions	**24**	1,040.46		1,691.44	
Current Tax Liabilities (Net)		415.11	**97,781.08**	1,185.88	**79,000.71**
Total Equity and Liabilities			**7,66,542.55**		**6,41,721.07**
Basis of Accounting	**2**				
Significant Accounting Policies	**3**				
Significant Judgements and Key Estimates	**4**				

The Notes are an integral part of the Standalone Financial Statements

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata,
Date :16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
INCOME			
Revenue from Operations	**29**	3,86,543.40	3,84,102.21
Other Income	**30**	7,888.10	14,420.32
Total Income		**3,94,431.50**	**3,98,522.53**
EXPENSES			
Cost of Materials Consumed	**31**	63,365.77	58,937.08
Purchases of Stock -in- Trade	**32**	45.48	–
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	**33**	3,412.36	2,526.53
Excise Duty		14,146.15	49,589.97
Employee Benefits Expense	**34**	26,451.15	26,453.14
Finance Costs	**35**	16,520.82	13,922.86
Depreciation and Amortisation Expense	**36**	14,605.36	14,719.33
Other Expenses	**37**	2,44,863.85	2,09,439.62
Total Expenses		**3,83,410.94**	**3,75,588.53**
Profit before Exceptional Items and Tax		**11,020.56**	**22,934.00**
Exceptional Items	**38**	1,247.93	682.14
Profit before Tax		**9,772.63**	**22,251.86**
Tax Expense :	**39**		
Current Tax		1,067.46	1,283.11
Deferred Tax		(726.20)	(431.02)
Income Tax for earlier years		(2,080.98)	–
		(1,739.72)	852.09
Profit for the year		**11,512.35**	**21,399.77**
Other Comprehensive Income :			
A. Items that will not be reclassified to profit or loss	**40.1**	1,09,221.25	9,427.09
Income tax relating to these items		(19,869.39)	(2,011.26)
		89,351.86	7,415.83
B. Items that will be reclassified to profit or loss	**40.2**	(63.91)	112.04
Income tax relating to these items		22.33	(38.32)
		(41.58)	73.72
Other Comprehensive Income for the Year (Net of Tax)		89,310.28	7,489.55
Total Comprehensive Income for the year		**1,00,822.63**	**28,889.32**
Earnings Per Share (Face Value of ₹ 10/- each)			
Basic & Diluted (₹)	**47**	14.95	27.79
Basis of Accounting	**2**		
Significant Accounting Policies	**3**		
Significant Judgements and Key Estimates	**4**		

The Notes are an integral part of the Standalone Financial Statements

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata,
Date :16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

HARSH V. LODHA
Chairman
(DIN : 00394094)

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
Cash Flow from Operating Activities :				
Profit after Exceptional Items & before Tax	9,772.63		22,251.86	
Adjustments for :				
Depreciation & Amortisation	14,605.36		14,719.33	
Investing Activities (Net)	(5,977.00)		(11,559.95)	
Provision for doubtful debts	32.81		100.44	
Bad bebts	4.59		–	
(Profit)/Loss on sale/ discard of Property, Plant and Equipment (Net)	(203.86)		18.02	
Profit on sale of Non Current Assets classified as held for sale	(50.82)		–	
Fair Valuation for Biological Assets other than bearer plants	(5.31)		3.74	
Amortisation of deferred revenue	(88.67)		41.71	
Excess Liabilities and unclaimed balances & Provision written back (Net)	(909.92)		(2,089.69)	
Excess Depreciation written back	(7.28)		(48.63)	
Effect of Foreign Exchange Fluctuations	421.42		(118.61)	
Finance Costs	16,520.82		13,922.86	
Operating Profit before Working Capital changes	**34,114.77**		**37,241.08**	
Adjustments for :				
(Increase)/ Decrease in Trade Receivables	(6,983.93)		375.08	
(Increase)/ Decrease in Inventories	(3,807.74)		7,664.28	
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	380.26		(11,749.90)	
Increase/ (Decrease) in Trade Payables & Other Liability	22,005.99		17,994.32	
Increase/ (Decrease) in Provisions	(22.35)		(568.59)	
Cash generated from operations	**45,687.00**		**50,956.27**	
Direct Taxes Paid	(3,673.91)		(5,000.09)	
Net Cash from Operating Activities		**42,013.09**		**45,956.18**
Cash Flow from Investing Activities :				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(17,218.10)		(12,454.33)	
Sale of Tangible Assets	378.38		205.61	
(Purchase)/Sale of Liquid Investments (Net)	(13,727.98)		1,10,283.10	
Purchase of other current Investments	(13,775.18)		(11,246.00)	
Sale of other current Investments	21,860.32		22,355.16	
Payment towards Investment in Subsidiary	(3,174.20)		(2,16,062.00)	
(Increase)/ Decrease in Other Bank Balances	11,227.19		3,213.15	
Loan (given)/ taken back from Related Parties	39.48		(56.15)	
Interest received	1,313.58		2,956.97	
Dividend received	101.62		155.06	
Net Cash used in Investing Activities		**(12,974.89)**		**(1,00,649.43)**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	523.92		1,10,699.59	
Repayments of Long Term Borrowings	(9,324.54)		(29,514.72)	
(Repayments)/Proceeds from Short Term Borrowings (Net)	986.40		(12,137.20)	
Interest Paid	(14,468.59)		(11,731.62)	
Dividend Paid	(5,005.35)		(4,620.32)	
Corporate Dividend tax paid	(1,018.97)		(940.59)	
Net Cash used in Financing Activities		**(28,307.13)**		**51,755.14**
Net Increase in Cash and Cash Equivalents		**731.07**		**(2,938.11)**
Cash and Cash Equivalents (Opening Balance)		**7,747.04**		**10,685.15**
Cash and Cash Equivalents (Closing Balance)		**8,478.11**		**7,747.04**
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)		**8,909.55**		**7,747.04**
Overdraft Balance in Current Account shown under short term borrowing		(431.44)		–
Cash and Cash Equivalents (Closing Balance) after adjusting overdraft balace		**8,478.11**		**7,747.04**

Note :

a) **Reconciliation of Liabilities arising from financing activities**

Particulars	Opening	Proceeds	Repayments	Forex Adjustments	Fair Value Changes	Closing
Long Term Borrowings (Including current maturity)	1,92,957.65	523.92	9,324.54	185.10	106.04	1,84,448.17
Short Term Borrowings	2,138.58	23,406.16	21,988.31	119.66	-	3,676.09

b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

c) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 3.2.

d) Figures for the previous year have been re-grouped wherever considered necessary.

e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

f) The Notes are an integral part of Financial Statements.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
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M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata,
Date :16th May, 2018

For and on behalf of the Board of Directors

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Chief Financial Officer

HARSH V. LODHA
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(DIN : 00394094)

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Joint President (Indirect Taxes) & Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

a) Equity Share Capital (Refer Note No. 20)

Balance as at 1st April, 2016	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2017	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2018	**7,700.89**

b) Other Equity (Refer Note No. 21)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income			Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt instrument through Other Comprehen-sive Income	Equity instrument through Other Comprehen-sive Income	Revaluation Surplus	
Balance as at 31st March, 2017	**105.08**	**6,157.64**	**2,53,005.17**	**(633.67)**	**35,865.58**	**(12.81)**	**15,224.78**	–	**3,09,711.77**
Profit for the Year	–	–	–	–	11,512.35	–	–	–	11,512.35
Remeasurement Gain/(Loss)	–	–	–	–	743.66	–	–	–	743.66
Revaluation of free hold land					–	–	–	1,05,456.39	1,05,456.39
Mark to market Gain/(Loss)	–	–	–	–	–	(63.91)	3,021.20	–	2,957.29
Impact of Tax	–	–	–	–	(259.86)	22.33	3,807.52	(23,417.05)	(19,847.06)
Total Comprehensive Income	**–**	**–**	**–**	**–**	**11,996.15**	**(41.58)**	**6,828.72**	**82,039.34**	**1,00,822.63**
Final Dividends Paid (₹ 6.50 per share)	–	–	–	–	(5,005.35)	–	–	–	(5,005.35)
Dividend Distribution Tax on Final Dividend	–	–	–	–	(1,018.97)	–	–	–	(1,018.97)
Transfer to Debenture Redemption Reserve	–	2,142.04	–	–	(2,142.04)	–	–	–	–
Transfer to General Reserve	–	–	5,000.00	–	(5,000.00)	–	–	–	–
Exchange Gain/(Loss) during the year	–	–	–	95.67	–	–	–	–	95.67
Amortization during the year (Refer Note no 37.2)	–	–	–	538.00	–	–	–	–	538.00
	–	**2,142.04**	**5,000.00**	**633.67**	**(13,166.36)**	**–**	**–**	**–**	**(5,390.65)**
Balance as at 31st March, 2018	**105.08**	**8,299.68**	**2,58,005.17**	**–**	**34,695.37**	**(54.39)**	**22,053.50**	**82,039.34**	**4,05,143.75**

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income			Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Revaluation Surplus	
Balance as at 1st April, 2016	**105.08**	**7,575.00**	**2,35,005.17**	**(2,181.20)**	**37,271.32**	**(86.53)**	**7,146.99**	**-**	**2,84,835.83**
Profit for the Year	–	–	–	–	21,399.77	–	–	–	21,399.77
Remeasurement Gain/(Loss)	–	–	–	–	(842.36)	–	–	–	(842.36)
Mark to market Gain/(Loss)	–	–	–	–	–	68.15	10,269.45	–	10,337.60
Reclassification of financial instruments from OCI to Retained Earnings	–	–	–	–	–	43.89	–	–	43.89
Impact of Tax	–	–	–	–	180.40	(38.32)	(2,191.66)	–	(2,049.58)
Total Comprehensive Income	**–**	**–**	**–**	**–**	**20,737.81**	**73.72**	**8,077.79**	**–**	**28,889.32**
Final Dividends Paid (₹ 6.00 per share)	–	–	–	–	(4,620.32)	–	–	–	(4,620.32)
Dividend Distribution Tax on Final Dividend	–	–	–	–	(940.59)	–	–	–	(940.59)
Transfer to Debenture Redemption Reserve	–	1,582.64	–	–	(1,582.64)	–	–	–	–
Transfer to General Reserve	–	(3,000.00)	18,000.00	–	(15,000.00)	–	–	–	–
Exchange Gain/(Loss) during the year	–	–	–	(54.88)	–	–	–	–	(54.88)
Amortization during the year (Refer Note no 37.2)	–	–	–	1,602.41	–	–	–	–	1,602.41
	–	(1,417.36)	18,000.00	1,547.53	(22,143.55)	–	–	–	(4,013.38)
Balance as at 31st March, 2017	**105.08**	**6,157.64**	**2,53,005.17**	**(633.67)**	**35,865.58**	**(12.81)**	**15,224.78**	**–**	**3,09,711.77**

The Notes are an integral part of the Standalone Financial Statements.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata,
Date :16th May, 2018

For and on behalf of the Board of Directors

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Joint President (Indirect Taxes)
& Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited is the flagship company of the M. P. Birla Group. The Company is a Public Limited Listed Company domiciled and incorporated in India having its registered office at Kolkata, West Bengal, India. It was incorporated as per the provisions of the Companies Act as Birla Jute Manufacturing Company Limited in the year 1919.The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31st March, 2018 have been approved by the Board of Directors in their meeting held on 16th May, 2018.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value;
- Biological Assets – At fair value less cost to sell; and
- Freehold land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR or ₹), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current Vs Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All the other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location & condition.Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of Cash Flow Statement the same is net of outstanding bank overdrafts.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. Deferred Tax

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement :

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company has opted revaluation model during the year (Refer Note No.5.2).

- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009, relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.
- Depreciation and amortization on leasehold land is provided on straight line method over the period of lease.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

3.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

3.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any,which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.4.7. Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment losses. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

3.5 Leases

3.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

3.5.2. Company as lessor

- Finance Lease

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- Operating Lease

  Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3. Company as Lessee

- Finance Lease

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

  If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

- Operating Lease

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.6 Revenue Recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.
- The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

3.6.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

3.6.2. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.3. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

3.7.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.7.3. Post Employment Benefits

The Company operates the following post employment schemes :

- **Defined Benefit Plans**

  The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

  The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation.

  Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

  Contributions to defined contribution plans such as provident fund etc. are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

  Further in respect of certain employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The company has an obligation to make good the shortfall in the interest amount, if any. In view of the Company's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

3.7.4. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit & Loss immediately.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).
- The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009, relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

3.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.11 Interest in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries or the loss of significant influence over associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.12.1. Financial Assets

➢ **Recognition and Initial Measurement :**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Classification and Subsequent Measurement :**

For purposes of subsequent measurement, financial assets are classified in four categories :

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost : A debt instrument is measured at the amortized cost if both the following conditions are met :
  - ❒ The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - ❒ The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.
- Measured at FVTOCI : A debt instrument is measured at the FVTOCI if both the following conditions are met :
  - ❒ The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - ❒ The asset's contractual cash flows represent SPPI.

  Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.
- Measured at FVTPL : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Equity Instruments measured at FVTOCI : All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

- **Recognition and Initial Measurement :**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement :**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Financial Guarantee Contracts**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

- **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.12.3 Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately

3.13 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- **Restoration (including Mine closure), rehabilitation and decommissioning**

  It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurredand are reviewed at each Balance Sheet date.

- **Onerous Contracts**

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.15 Intangible Assets

3.15.1. Recognition and Measurement

3.15.1.1. Mining Rights

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

3.15.1.2. Other Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

3.15.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.15.3. Amortization

- Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.15.4. Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

3.17 Biological Assets

Biological Assets are recognized when the entity controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

3.18 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.19 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Operating segments of the Company comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.20 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.21 Standards Issued/amended but not yet effective

The MCA has notified Companies (Indian Accounting Standards) (Amendment) Rules, 2018 to amend the following Ind-AS's. The amendment will come into force from accounting period commencing on or after 1st April, 2018 :

- Ind AS 115-Revenue from Contracts with Customers :

  The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period.

Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information.

- Ind AS 21-The Effects of changes in Foreign Exchange Rates :

  The newly inserted Appendix B to Ind AS 21, "Foreign Currency Transactions and Advance Consideration" clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The company intends to adopt these Standards when it becomes effective. The Company is in the process of assessing the possible impact of the above standards and will adopt the amendments on the required effective date.

4. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets :** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible) :** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases :** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO) :** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Restoration (including Mine closure), rehabilitation and decommissioning :** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies :** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets :** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts :** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments :** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

5. PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Particulars	Year Ended 31st March, 2018													
	Gross Carrying Amount							Accumulated Depreciation						
	As at 1st April, 2017	Additions	Transfer	Disposals	Revaluation	Other Adjust-ments	As at 31st March, 2018	As at 1st April, 2017	Charged during the year	Transfer	Deductions	Other Adjust-ments	As at 31st March, 2018	Net Carrying Amount
Leasehold Land	57.32	–	–	–	–	–	57.32	1.63	0.81	–	–	–	2.44	54.88
Freehold Land (Refer Note 5.1 to 5.3)	8,877.65	877.91	–	–	1,05,456.39	–	1,15,211.95	–	–	–	–	–	–	1,15,211.95
Sub-Total	8,934.97	877.91	–	–	**1,05,456.39**	–	1,15,269.27	1.63	0.81	–	–	–	2.44	1,15,266.83
Buildings (Refer note 5.1)	19,802.35	764.30	–	38.85	–	(1.68)	20,526.12	1,465.65	832.43	–	3.97	–	2,294.11	18,232.01
Plant and Machinery	1,96,733.73	9,937.74	–	71.95	–	(101.21)	2,06,498.31	26,488.59	12,864.97	–	1.83	–	39,351.73	1,67,146.58
Furniture and Fittings	656.91	62.03	–	0.66	–	–	718.28	147.93	81.35	–	0.20	–	229.08	489.20
Vehicles	1,555.72	329.31	–	34.79	–	–	1,850.24	449.23	231.80	–	20.60	–	660.43	1,189.81
Office Equipments	1,392.70	344.45	–	5.51	–	–	1,731.64	615.03	293.91	–	1.93	–	907.01	824.63
Railway Sidings	1,027.45	269.54	–	0.27	–	5.55	1,302.27	178.55	97.58	–	–	–	276.13	1,026.14
Total	**2,30,103.83**	**12,585.28**	**–**	**152.03**	**1,05,456.39**	**(97.34)**	**3,47,896.13**	**29,346.61**	**14,402.85**	**–**	**28.53**	**–**	**43,720.93**	**3,04,175.20**
Capital Work-In-Progress	**5,867.08**	**6,602.96**	**3,007.73**	**–**	**–**	**22.74**	**9,485.05**	**–**	**–**	**–**	**–**	**–**	**–**	**9,485.05**

Particulars	Year Ended 31st March, 2017													
	Gross Carrying Amount							Accumulated Depreciation						
	As at 1st April, 2016	Additions	Transfer	Disposals	Revaluation	Other Adjust-ments	As at 31st March, 2017	As at 1st April, 2016	Charged during the year	Transfer	Deductions	Other Adjust-ments	As at 31st March, 2017	Net Carrying Amount
Leasehold Land	57.32	–	–	–	–	–	57.32	0.81	1.01	–	0.19	–	1.63	55.69
Freehold Land (Refer Note 5.1 to 5.3)	8,398.40	479.25	–	–	–	–	8,877.65	–	–	–	–	–	–	8,877.65
Sub-Total	8,455.72	479.25	–	–	**–**	–	8,934.97	0.81	1.01	–	0.19	–	1.63	8,933.34
Buildings (Refer note 5.1)	17,974.24	1,769.04	–	9.90	–	68.97	19,802.35	677.83	788.08	–	0.26	–	1,465.65	18,336.70
Plant and Machinery	1,86,613.54	10,044.84	–	172.96	–	248.31	1,96,733.73	13,285.13	13,210.14	–	6.68	–	26,488.59	1,70,245.14
Furniture and Fittings	598.51	59.25	–	0.85	–	–	656.91	72.16	76.33	–	0.56	–	147.93	508.98
Vehicles	1,396.43	190.52	–	31.23	–	–	1,555.72	231.41	237.74	–	19.92	–	449.23	1,106.49
Office Equipments	1,204.45	191.44	–	3.69	–	0.50	1,392.70	342.43	273.76	–	1.16	–	615.03	777.67
Railway Sidings	1,026.54	–	–	–	–	0.91	1,027.45	89.21	89.34	–	–	–	178.55	848.90
Total	**2,17,269.43**	**12,734.34**	**–**	**218.63**	**–**	**318.69**	**2,30,103.83**	**14,698.98**	**14,676.40**	**–**	**28.77**	**–**	**29,346.61**	**2,00,757.22**
Capital Work-In-Progress	**6,324.69**	**2,722.59**	**3,159.70**	**–**	**–**	**(20.50)**	**5,867.08**	**–**	**–**	**–**	**–**	**–**	**–**	**5,867.08**

Notes :

5.1 Gross Carrying Amount includes ₹ 158.72 Lacs (Previous Year ₹ 8.85 Lacs) in Land and ₹ 700.31 Lacs (Previous Year ₹ 700.31 Lacs) in Building under Co-ownership basis and also ₹ 0.15 Lacs (Previous Year ₹ 0.15 Lacs) being value of investments in Shares of a Private Limited Company.

5.2 During the year, the Company has adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land has been revalued on the basis of valuation report made by independent valuers and effective date of the revaluation is 1st April, 2017. Carrying amount that would have been recognised had the freehold land been carried under the cost model is ₹ 9,755.56 Lacs (Previous Year ₹ 8,877.65 Lacs).The Revaluation Surplus of ₹ 1,05,456.39 Lacs has been recognised and presented under "Other Comprehensive Income".

5.3 The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the land. This valuation is based on valuations performed by an accredited independent valuers. Fair valuation is based on depreciated open market price method. The fair value measurement is categorized in level 2 fair value hierarchy.

5.4 Other Adjustments include adjustment on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognised under previous GAAP as described in note no. 37.2 to the financial statement. Accordingly, the amount decapitalised during the year with the Property, Plant and Equipment amounts to ₹ 235.13 Lacs (Previous Year decapitalised ₹ 11.93 Lacs).

5.5 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 160.09 Lacs (Previous Year ₹ 87.79 Lacs), (Refer Note No. 35).

5.6 Refer note no. 44 for information on property, plant and equipment pledged as securities by the Company.

5.7 Refer note no. 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

6. INVESTMENT PROPERTY

(₹ in lacs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Gross Carrying Amount		
Opening gross carrying amount	19.09	9.45
Addition	–	–
Disposals	–	–
Other Adjustments	–	9.64
Closing gross carrying amount	**19.09**	**19.09**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.75	0.25
Depreciation charged during the year	0.50	0.50
Closing Accumulated Depreciation	**1.25**	**0.75**
Net Carrying Amount	**17.84**	**18.34**

6.1 The fair value of the Company's investment properties as at 31st March, 2017 and 31st March, 2018 are ₹ 2,240.48 Lacs and ₹ 2,407.40 Lacs respectively. The fair value has been arrived on the basis of valuation performed by an independent valuer, who is a specialist in valuing these types of investments properties, having appropriate qualifications and recent experience in the valuation of properties in relevant location.

6.2 The amounts recognized in Statement of Profit and Loss in relation to the investment properties :

	Year ended 31st March, 2018	Year ended 31st March, 2017
Rental Income	13.68	13.68
Direct Operating Expenses in relation to Properties generating rental income	23.04	52.94

6.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

6.4 The Company has no restriction on the realisability of it's investment properties or the remittance of income and proceeds of disposal. There is no Contractual obligations to purchase, construct or development of Investment Property or for repairs, maintenance or enhancements.

7. INTANGIBLE ASSETS

Particulars	Year Ended 31st March, 2018										
	Gross Carrying Amount					Accumulated Amortization					Net Carrying Amount
	As at 1st April, 2017	Additions	Disposals / Transfer	Other Adjustments	**As at 31st March, 2018**	As at 1st April, 2017	Charged during the year	Deductions	Other Adjustments	**As at 31st March, 2018**	
Computer Software	334.63	–	–	–	334.63	166.71	49.83	–	–	216.54	118.09
Mining Rights	223.16	747.31	0.22	–	970.25	22.76	152.18	0.03	–	174.91	795.34
Total	**557.79**	**747.31**	**0.22**	**–**	**1,304.88**	**189.47**	**202.01**	**0.03**	**–**	**391.45**	**913.43**
Intangible Assets under development	192.46	43.42	–	–	235.88	–	–	–	–	–	235.88

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Year Ended 31st March, 2017										
	Gross Carrying Amount					Accumulated Amortization					Net Carrying Amount
	Cost as at 1st April, 2016	Additions	Disposals / Transfer	Other Adjustments	**As at 31st March, 2017**	As at 1st April, 2016	Charged during the year	Deductions	Other Adjustments	**As at 31st March, 2017**	
Computer Software	189.73	144.90	–	–	334.63	135.23	31.48	–	–	166.71	167.92
Mining Rights	223.23	–	0.07	–	223.16	11.82	10.95	0.01	–	22.76	200.40
Total	**412.96**	**144.90**	**0.07**	**–**	**557.79**	**147.05**	**42.43**	**0.01**	**–**	**189.47**	**368.32**
Intangible Assets under development	–	192.46	–	–	192.46	–	–	–	–	–	192.46

7.1 Refer note no. 44 for information on Intangible Assets pledged as securities by the Company.

7.2 Refer note no. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

8. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening Balance	82.02	82.55
Additions/Acquisitions	5.29	4.60
Disposals	0.35	1.39
Fair Value Adjustments	5.31	(3.74)
Closing Balance	**92.27**	**82.02**

8.1 The Company owns bearer biological assets i.e., livestock from which milk is produced. The livestock is maintained by the company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

9. INVESTMENT IN SUBSIDIARIES & ASSOCIATES

Particulars	Refer Note No.	Face Value of ₹ 10 each unless otherwise stated	As at 31st March, 2018		As at 31st March, 2017	
			Qty	Amount	Qty	Amount
EQUITY INVESTMENTS VALUED AT COST						
UNQUOTED (FULLY PAID UP)						
Investments In Subsidiaries						
Birla Corporation Cement Mfg PLC		1,000 Birr	1,699	45.22	1,699	45.22
Less: Impairment				45.22		45.22
Net				–		–
Reliance Cement Co. Pvt Ltd.	9.1	10	31,28,22,900	2,27,226.20	31,28,22,900	2,25,352.00
Talavadi Cements Ltd.		10	58,80,400	588.04	58,80,400	588.04
Budge Budge Floor Coverings Ltd.		10	40,00,000	200.02	40,00,000	200.02
Lok Cements Ltd.		10	10,00,700	100.57	10,00,700	100.57
Birla Cement (Assam) Ltd.		10	50,000	5.00	50,000	5.00
Birla Jute Supply Co. Ltd.		10	6,000	3.00	6,000	3.00
MP Birla Group Services Pvt. Ltd		10	20,000	2.00	20,000	2.00
Sub Total				**2,28,124.83**		**2,26,250.63**
Investment In Associates						
Birla Odessa Industries Pvt. Ltd.		10	4,910	0.49	4,910	0.49
Birla Readymix (P) Ltd.		10	5,000	0.50	5,000	0.50
Less : Impairment				0.99		–
Sub Total				**–**		**0.99**
TOTAL				**2,28,124.83**		**2,26,251.62**
Aggregate Book Value of Unquoted Investments				**2,28,171.04**		**2,26,296.84**
Aggregate amount of Impairment in value of Investments				**46.21**		**45.22**

Note :

9.1 ₹1874.20 Lacs increase on account of further settlement as provided in the Share Purchase Agreement with Reliance Infrastructure Limited. (refer note no. 51).

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

10. NON-CURRENT INVESTMENTS (₹ in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2018		As at 31st March, 2017	
			Qty	Amount	Qty	Amount
A. DEBT INSTRUMENTS AT AMORTISED COST						
UNQUOTED						
National Savings Certificate	10.1	7,500	1	0.08	1	0.08
Sub Total				**0.08**		**0.08**
TOTAL (A)				**0.08**		**0.08**
B. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME						
EQUITY INSTRUMENTS (FULLY PAID UP)						
QUOTED						
Century Textiles & Industries Ltd.		10	18,07,660	20,654.32	18,07,660	19,037.37
Birla Cables Ltd.		10	53,88,515	3,281.60	53,88,515	2,112.30
Universal Cables Ltd.	10.2	10	8,00,157	1,045.00	8,00,157	807.76
Hindustan Media Ventures Ltd.		10	4,440	9.78	4,440	12.60
Rameshwara Jute Mills Ltd.	10.3	10	19,133	1.20	19,133	1.20
Vindhya Telelinks Ltd.		10	100	1.05	100	0.65
Birla Precision Technologies Ltd.		2	2,121	0.15	2,121	0.10
Zenith Birla (I) Ltd.		10	6,362	0.11	6,362	0.03
Sub Total				**24,993.21**		**21,972.01**
UNQUOTED	10.3					
Birla Buildings Ltd.		10	24,000	2.47	24,000	2.47
Neosym Industry Limited		10	52,000	1.19	52,000	1.19
Lotus Court Ltd.		10	1	0.46	1	0.46
Industry House Ltd.		10	600	0.40	600	0.40
Eastern Economist Ltd.		10	400	0.40	400	0.40
Woodlands Multispecialty Hospital Ltd.		10	520	0.05	520	0.05
Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.01	10	0.01
Elgin Mills Co. Ltd.		10	2,250	0.14	2,250	0.14
Bally Jute Mills Employees Consumers' Co-operative Stores Limited		10	250	0.03	250	0.03
Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.01	15	0.01
Craig Jute Mills Ltd. (₹ 150, Previous Year : ₹ 150)		3	50	0.00	50	0.00
Ampsolar Farms Private Limited		10	2,600	0.26	–	–
Sub Total				**5.42**		**5.16**
Investment in Quoted Government Securities						
6.90% GOI 2019		100	1,00,000	100.29	1,00,000	100.85
Sub Total				**100.29**		**100.85**
Investments In Quoted Bonds						
9.70% IFCI Ltd. 2030		10,00,000	63	615.82	63	671.30
9.55% IFCI Ltd. 2025		10,00,000	13	127.60	13	135.44
Sub Total				**743.42**		**806.74**
TOTAL (B)				**25,842.34**		**22,884.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2018		As at 31st March, 2017	
			Qty	Amount	Qty	Amount
C. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS						
Investment In Preference Shares - Unquoted (Fully paid up)						
Reliance Cement Company Private Limited 10% Redeemable Cumulative Preference Shares		100	1,00,00,000	10,839.00	1,00,00,000	10,257.00
Elgin Mills Co. Ltd. - 5% Preference Shares	10.3	10	100	0.01	100	0.01
Sub Total				**10,839.01**		**10,257.01**
Investments in Mutual Funds						
UNQUOTED						
UTI Master Share Unit Scheme–Dividend Plan–Payout			7,200	2.32	7,200	2.33
Sub Total				**2.32**		**2.33**
TOTAL (C)				**10,841.33**		**10,259.34**
TOTAL				**36,683.75**		**33,144.18**
Aggregate Book Value of Quoted Investments				**25,836.92**		**22,879.60**
Aggregate Fair Value of Quoted Investments				**25,836.92**		**22,879.60**
Aggregate Amount of Unquoted Investments				**10,846.83**		**10,264.58**

Notes :

10.1 Deposited with Government Department as Security.

10.2 Shares of Universal Cables Ltd includes 98,157 (Previous Year: 98,157) number of additional shares allotted of which the dispatch of share certificates in physical form and credit in respective Demat account has not been done in view of order dated 18th November, 2015 passed by Hon'ble High Court of Delhi. By said order, status quo has been directed to maintain with respect to 27,05,553 number of additional shares allotted under category 'C' of basis of allotment.

10.3 Fair valuation not carried out as amounts are not significant.

11. LOANS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Loans & Advances to Related Parties					
Unsecured, considered good	11.1 & 11.2	265.69	305.00	–	0.17
Unsecured,considered doubtful		–	–	7.30	7.30
		265.69	305.00	7.30	7.47
Less : Provision for Doubtful Advances		–	–	7.30	7.30
		265.69	**305.00**	**–**	**0.17**
Other Loans and Advances					
Advance to Employees, unsecured, considered good		35.56	40.63	135.29	154.21
Less : Provision for Doubtful Advances		–	–	0.09	–
Total Loans		**301.25**	**345.63**	**135.20**	**154.38**

11.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note no 11.2 given below.

11.2 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 :

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
i. **Subsidiary Companies**					
Reliance Cement Company Private Limited	(iii)(b)	–	47.58	47.58	5904.06
Lok Cements Limited	(iii)(a)	265.69	257.42	265.69	257.43
Birla Corporation Cement Manufacturing PLC	(iii)(b) & (iii)(c)	–	–	7.30	7.30
Talavadi Cements Limited	(iii)(b)	–	–	5.65	3.91
Birla Jute Supply Co. Limited	(iii)(b)	–	–	0.02	0.65
Budge Budge Floorcoverings Limited	(iii)(b)	–	–	1.57	0.51
Birla Cement (Assam) Limited	(iii)(b)	–	–	0.01	0.23
M. P. Birla Group Services Pvt. Ltd.	(iii)(b)	–	–	0.01	0.01
ii. **Associate Companies**					
Birla Odessa Industries Private Limited	(iii)(b)	–	0.08	0.12	0.08
Birla Readymix Private Limited	(iii)(b)	–	0.09	0.14	0.09
iii. **Purpose for which the advance was provided**					
a. Advance given for implementation of Project					
b. Advance given for working capital needs					
c. Net of Provision for Doubtful Advances					
iv. **For Guarantee refer note no. 41.5 and for Investments refer note no. 9, 10 & 15.**					

12. OTHERS FINANCIAL ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Security Deposits					
Unsecured, considered good		2,159.98	2,851.29	860.61	–
		2,159.98	**2,851.29**	**860.61**	**–**
Incentive and Subsidy Receivable		–	–	18,987.23	18,439.72
Less : Provision		–	–	143.65	143.65
		–	**–**	**18,843.58**	**18,296.07**
Other Deposits and Advances					
Unsecured, considered good	12.1	175.89	212.05	88.52	542.91
Unsecured, considered doubtful		–	–	124.34	124.33
		175.89	212.05	212.86	667.24
Less : Provision for doubtful advances		–	–	124.34	124.33
		175.89	**212.05**	**88.52**	**542.91**
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	85.97	88.12	–	–
Interest Accrued on Deposit		12.30	5.50	247.25	428.73
Derivative Contracts		–	–	55.62	–
Amount paid under Protest		236.54	236.54	–	–
Others		–	–	0.59	6.96
Total		**2,670.68**	**3,393.50**	**20,096.17**	**19,274.67**

12.1 No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 23.67 Lacs (Previous year ₹ 494.44 Lacs) are receivable from a private company in which directors of the Company are directors.

12.2 Represents deposits marked lien in favour of Govt. Authorities.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

13. OTHER ASSETS

Particulars	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Capital Advances	942.53	897.60	–	–
Advance against supply of Goods and Services	–	–	16,080.46	13,644.05
Prepaid Expenses	654.13	667.44	551.61	319.44
Amount paid under Protest	3,197.83	2,983.41	–	–
Balances with Government & Statutory Authorities	43.66	43.94	2,051.78	5,576.45
Security Depopsits				
Unsecured considered good	188.43	188.43	40.64	40.64
Other Advances (Including Balance with Gratuity Fund)	739.00	739.00	518.70	62.29
Less : Provision for Doubtful Advances	–	–	52.03	52.03
Total	**5,765.58**	**5,519.82**	**19,191.16**	**19,590.84**

No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except ₹ 14.81 Lacs (Previous year ₹ 245.91 Lacs) are receivable from private companies in which directors of the Company are directors.

14. INVENTORIES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
(As valued and certified by the Management)	3.1		
Raw Materials	14.1	8,679.85	6,009.59
Work-In-Progress	14.1	7,916.32	9,505.46
Finished Goods	14.1	9,826.22	11,649.44
Stores and Spares	14.1	13,778.40	15,309.09
Fuels	14.1	11,408.37	5,843.16
Packing material		1,231.63	716.31
Total		**52,840.79**	**49,033.05**

14.1 The above includes goods-in-transit as under :			
Raw Materials		34.57	–
Work-In-Progress		403.58	–
Finished Goods		1,166.84	384.80
Stores and Spares etc.		101.41	534.23
Fuels		1,549.51	–
Total		**3,255.91**	**919.03**

14.2 Amount of write down of inventories carried at net realisable value and recognised as expense : ₹ 125.17 Lacs (Previous Year ₹ 151.98 Lacs).

14.3 Refer Note no 44 for information on amount of inventories pledged as securities by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

15. CURRENT INVESTMENTS

Particulars	Refer Note	As at 31st March, 2018		As at 31st March, 2017	
		Qty	Amount	Qty	Amount
INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS					
Investments in Mutual Funds					
QUOTED					
HDFC FMP 92D February 2018(1) - Direct Growth		2,50,00,000	2,518.30	–	–
ICICI Prudential FMP Series 82-103 D Plan O DP		1,00,00,000	1,005.94	–	–
Kotak FMP Series 218 Direct Growth		4,00,00,000	4,029.88	–	–
Reliance Fixed Horizon Fund Series - XXXVI - Series 4		2,50,00,000	2,520.27	–	–
Sub Total			**10,074.39**		**–**
UNQUOTED					
UTI Money Market Fund - Institutional Plan - Direct Plan Growth		1,11,609	2,176.08	–	–
Kotak Treasury Advantage Fund - Direct Plan Growth		75,68,458	2,136.62	1,56,46,745	4,124.34
Kotak Liquid Direct Plan Growth		51,196	1,803.12	–	–
SBI Ultra Short Term Debt Fund - Direct Plan Growth	15.1	48,362	1,089.05	1,46,456	3,087.19
Tata Ultra Short Term Fund - Direct Plan Growth		1,23,994	3,294.52	1,23,994	3,076.98
Tata Money Market Fund - Direct Plan Growth		69,592	1,905.69	–	–
Kotak Corporate Bond Fund - Direct Plan Growth		45,452	1,058.13	–	–
IDFC Ultra Short Term Fund - Direct Plan Growth		1,11,53,370	2,765.68	1,11,53,370	2,582.32
L & T Ultra Short Term Fund - Direct Plan Growth		–	–	95,13,223	2,559.28
HDFC Short Term Opportunities Fund - Direct Plan Growth		–	–	1,14,63,365	2,074.93
IDFC Super Saver Income Fund Short Term Plan - Direct Plan Growth		–	–	59,88,862	2,055.29
ICICI Prudential Flexible Income - Direct Plan Growth		–	–	6,53,993	2,044.21
Invesco India Liquid Fund - Direct Plan Growth		96,755	2,314.43	–	–
Reliance Medium Term Fund - Direct Plan Growth		–	–	46,76,548	1,622.28
HDFC Cash Management Plan Treasury Advantage - Direct Plan Growth		–	–	43,68,623	1,547.68
DSP BlackRock Ultra Short Term Fund - Direct Plan Growth		–	–	2,76,76,000	3,295.58
HDFC Liquid Fund - Direct Plan Growth		–	–	37,487	1,202.94
DSP BlackRock Liquidity Fund - Direct Plan Growth		81,054	2,014.45	–	–
SBI Premier Liquid Fund - Direct Plan Growth	15.2	73,559	2,004.02	43,406	1,107.86
L & T Cash Fund - Direct Plan Growth		–	–	77,152	1,010.60
L & T Liquid Fund - Direct Plan Growth		85,645	2,040.82	28,931	645.15
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		33,709	1,429.25	10,085	400.12
ICICI Prudential Money Market Fund - Direct Plan Growth		8,85,991	2,129.23	1,77,810	400.11
Axis Liquid Fund - Direct Plan Growth		1,03,938	2,003.43	22,189	400.11
Axis Banking & PSU Debt Fund - Direct Plan Growth		63,994	1,035.98	–	–
Sub Total			**31,200.50**		**33,236.97**
TOTAL			**41,274.89**		**33,236.97**
Aggregate Book Value of Quoted Investments			**10,074.39**		**–**
Aggregate Fair Value of Quoted Investments			**10,074.39**		**–**
Aggregate amount of Unquoted Investments			**31,200.50**		**33,236.97**
Aggregate amount of Impairment in value of Investments					

Note :

15.1 Out of the same 45,930 units (Previous year: NIL) are held as margin in favour of State Bank of India against bank guarantee.

15.2 Out of the same Nil (Previous year: 23,810.690 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

16. TRADE RECEIVABLES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables	16.1 & 16.2	17,100.85	10,148.22
Less: Provision for Doubtful Receivables		1,205.39	1,199.29
Total		**15,895.46**	**8,948.93**
Break Up of Security Details			
Secured, considered good		6,204.15	6,454.31
Unsecured, considered good		9,691.31	2,494.62
Doubtful		1,205.39	1,199.29
Total		**17,100.85**	**10,148.22**
Less : Provision for Doubtful Receivables		1,205.39	1,199.29
Total		**15,895.46**	**8,948.93**

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

16.2 No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 2,855.94 Lacs (Previous year Nil) are receivable from a private company in which directors of the Company are directors.

17. CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Balances With Banks :			
In Current/Cash Credit Account		3,740.35	2,776.86
In Deposit Accounts with Original Maturity of less than three months		3,110.00	2,665.00
Cheques/drafts on Hand		2,042.81	2,292.02
Cash in Hand		16.39	13.16
Total		**8,909.55**	**7,747.04**

18. BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account		140.01	134.46
Balances with Bank held as margin money/ security		–	278.10
Other Fixed Deposit with Banks	18.1	10,958.02	21,912.66
Total		**11,098.03**	**22,325.22**
18.1 Includes deposits marked lien in favour of Govt. Authorities		**18.02**	**12.66**

19. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	41.94	128.12
Total		**41.94**	**128.12**

19.1 Suspension of operations was declared of the Company's unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the Company on 4th November, 2015 for disposal of assets of the Unit. Due to adverse market prices of M S Steel during the year, the Plant & Machinery could not be disposed off in full. However, major portions of Plant & Machinery were disposed off in the year 2017-18. Currently, there are several interested buyers and it is expected that sale will be completed by December, 2018. The assets of the Unit comprising remaining plant & machineries are presented within total assets of the "unallocated corporate assets" under Segment Reporting.

Non recurring fair value measurements

The fair value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures refer note no. 54. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

20. EQUITY SHARE CAPITAL

Particulars	Refer Note No.	As at 31st March, 2018		As at 31st March, 2017	
		No. of Shares	Amount	No. of Shares	Amount
20.1 Authorised Share Capital					
Ordinary Shares of ₹10/- each		9,00,00,000	9,000.00	9,00,00,000	9,000.00
Preference Shares of ₹100/- each		10,00,000	1,000.00	10,00,000	1,000.00
		9,10,00,000	**10,000.00**	**9,10,00,000**	**10,000.00**
20.2 Issued Share Capital					
Ordinary Shares of ₹10/- each		7,70,13,416	7,701.34	7,70,13,416	7,701.34
		7,70,13,416	**7,701.34**	**7,70,13,416**	**7,701.34**
20.3 Subscribed and Paid-up Share Capital					
Ordinary Shares of ₹10/- each fully paid-up		7,70,05,347	7,700.53	7,70,05,347	7,700.53
Add : Forfeited Ordinary Shares (Amount originally paid-up)		–	0.36	–	0.36
Total		**7,70,05,347**	**7,700.89**	**7,70,05,347**	**7,700.89**

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares

The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

20.7 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Reliance Capital Trustee Company Limited (Shares held in their various Schemes)	41,62,918	5.41	49,25,585	6.40

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Company during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

21. OTHER EQUITY (Refer Statement of Change in Equity)

The Description of the nature and purpose of each reserve within equity is as follows:

a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.

b) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules,2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issues.

c) **General Reserve:** The general reserve is created out of retained earnings and being used for appropriation purposes.

d) **Foreign Currency Monetary Item Translation Difference Account:** Foreign Currency Monetary Item Translation Difference Account represents the exchange differences arising on reporting of long -term foreign currency monetary items at rates different from those at which they were initially recorded or reported in previous financial statements in so far as they related to items other than acquisition of a depreciable capital assets in pursuance of option exercised by the company under para 46A of Accounting standard 11 for all pre-existing long term foreign currency monetary items as at 31st March, 2016.

e) **Retained Earnings:** Retained Earnings represents the undistributed profit of the Company.

22. LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Non-Convertible Debentures (NCD)	22.1(a)				
(Face Value of ₹ 10,00,000/- each)					
2500 (Previous Year - 2500) 9.25% NCD 2026		25,000.00	25,000.00	–	–
1500 (Previous Year - 1500) 9.15% NCD 2021		15,000.00	15,000.00	–	–
1300 (Previous Year - 1300) 9.05% NCD 2020		13,000.00	13,000.00	–	–
1500 (Previous Year -1500) 9.10% NCD 2020		15,000.00	15,000.00	–	–
		68,000.00	**68,000.00**	**–**	**–**
Term Loans					
From Banks :					
Rupee Loans	22.1(b)	58,961.60	59,325.35	502.80	-
Foreign Currency Loans	22.1 (c)	43,952.65	56,195.43	12,729.82	9,423.60
From Other:					
Rupee Loans	22.1(d)	287.97	–	–	–
		1,03,202.22	**1,15,520.78**	**13,232.62**	**9,423.60**
Finance lease obligations	22.2	12.39	12.33	0.94	0.94
Total		**1,71,214.61**	**1,83,533.11**	**13,233.56**	**9,424.54**
Amount disclosed under the head "Other Financial Liability"	23	–	–	(13,233.56)	(9,424.54)
		1,71,214.61	**1,83,533.11**	**–**	**–**
Break Up of Security Details					
Secured		1,71,202.23	1,83,520.78	13,232.62	9,423.60
Unsecured		12.39	12.33	0.94	0.94
Total		**1,71,214.62**	**1,83,533.11**	**13,233.56**	**9,424.54**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

22.1 Terms and Conditions of Long Term Borrowings :

	Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
(a)	**Non–Convertible Debentures**			
	i) 9.25% NCD 2026	22.1 (e) (i)	25,000.00	25,000.00
	ii) 9.15% NCD 2021	22.1 (e) (ii)	15,000.00	15,000.00
	iii) 9.05% NCD 2020	22.1 (e) (iii)	13,000.00	13,000.00
	iv) 9.10% NCD 2020	22.1 (e) (iv)	15,000.00	15,000.00
(b)	**Rupee Term Loan - From Banks - in Indian Rupees**	22.1 (f)	60,000.00	60,000.00
(c)	**Foreign Currency Loan - From Banks - in Foreign Currency**	22.1 (g)	57,081.80	66,220.77
(d)	**Rupee Term Loan - From Others - in Indian Rupees**	22.1 (h)	523.79	–

(e) Non-Convertible Debentures are redeemable fully at par as under :

i) ₹ 25,000.00 Lacs, 9.25% NCD 2026 includes ₹ 6,000.00 Lacs repayable in August, 2024, ₹ 1,500.00 Lacs repayable in September, 2024, ₹ 6,000.00 Lacs repayable in August, 2025, ₹ 1,500.00 Lacs repayable in September, 2025, ₹ 8,000.00 Lacs repayable in August, 2026, ₹ 2,000.00 Lacs repayable in September, 2026.

ii) 9.15% NCD 2021 repayable in August, 2021.

iii) 9.05% NCD 2020 repayable in October, 2020.

iv) 9.10% NCD 2020 repayable in March, 2020.

The Debentures are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Division, ranking pari-passu with other term lenders except Rupee Term Lenders.

(f) Rupee Loan from Banks are repayable as under:-

Term Loan ₹ 60,000.00 Lacs, (Rate of Interest MCLR 3M/12M Plus spread of 0.05% to 0.35%)

i) ₹ 1,508.40 Lacs payable in 6 equal quarterly installments from November/December 2018 to February/March 2020.

ii) ₹ 3,000.00 Lacs payable in 2 equal quarterly installments from May/June 2020 to August/September 2020.

iii) ₹ 3,502.80 Lacs payable in 2 equal quarterly installments from November/December 2020 to February/March 2021

iv) ₹ 3,997.20 Lacs payable in 2 equal quarterly installments from May/June 2021 to August/September 2021

v) ₹ 18,000.00 Lacs payable in 8 equal quarterly installments from November/December 2021 to August/September 2023

vi) ₹ 14,996.40 Lacs payable in 6 equal quarterly installments from November/December 2023 to February/March 2025

vii) ₹ 12,507.00 Lacs payable in 5 equal quarterly installments from May/June 2025 to May/June 2026

viii) ₹ 2,488.20 Lacs payable in August/September 2026.

Rupee Term Loans are secured by first pari-passu charge on movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Jute Division and land situated at Birlapur and Narkeldanga.

(g) Foreign Currency Loans from Banks are repayable as under :-

Term Loan ₹ 57,081.80 Lacs (Rate of Interest LIBOR 1M/3M/6M Plus spread of 140 bps to 175 bps)

i) ₹ 3,308.30 Lacs repayable in remaining five semi-annual installments

The above loan is secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Unit at Chanderia (Rajasthan), ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

ii) ₹ 9,893.39 Lacs includes, ₹ 4,073.75 Lacs repayable in September, 2018 and ₹ 5,819.64 Lacs repayable in September, 2019.

iii) ₹ 7,914.72 Lacs includes, ₹ 3,259.00 Lacs repayable in September, 2018 and ₹ 4,655.72 Lacs repayable in September, 2019.

iv) ₹ 26,072.00 Lacs repayable in 8 equal quarterly installments starting from October 2019 to July 2021.

The above loans are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

(h) Rupee Loan from Other is repayable as under:-

Interest free Term Loan ₹ 523.79 Lacs from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.

i) ₹ 523.79 Lacs includes, ₹ 282.02 Lacs repayable in January, 2025 and ₹ 241.77 Lacs repayable in March, 2025.

The above loan is secured by Bank Guarantees.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

22.2 Finance Lease Obligation

The Company has entered into various finance lease arrangements mainly for land for terms ranging up to 99 years. The legal title to these items vests with the respective lessors. There are no restrictions imposed by lease arrangements. There are no sub-lease arrangements entered into by the Company for these leases.

The Company has finance lease contracts and the obligation under finance lease are secured by the lessor's title to the leased assets. Future minimum lease payments under finance lease contracts together with the present value of the net minimum lease payments are disclosed as below :

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	1.08	0.94	1.08	0.94
After one year but not more than five years	5.28	3.77	5.28	3.77
More than five years	43.37	8.62	44.46	8.56
Total minimum lease payments	**49.73**	**13.33**	**50.82**	**13.27**
Less: Amounts representing Finance Charges	36.40	–	37.55	–
Present value of minimum lease payments	**13.33**	**13.33**	**13.27**	**13.27**

23. OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Current maturities of Long Term Debt	22	–	–	13,232.62	9,423.60
Current maturities of Finance Lease Obligations	22	–	–	0.94	0.94
Trade & Security Deposits (Unsecured)		29,370.92	22,032.22	9.24	14.33
Interest accrued but not due on Borrowings		–	–	2,885.31	3,075.41
Unpaid and Unclaimed Dividends		–	–	140.01	134.46
Employees Related Liabilities		–	–	1,764.28	1,559.00
Amount payable for Capital Goods		–	–	1,764.71	1,894.60
Foreign Exchange Forward Contract		–	–	–	796.61
Other Payables (including rebates and discounts)		–	–	24,608.02	23,026.33
Liability Under Litigation		2,755.63	2,723.63	–	–
Less : Paid Under Protest		1,970.99	1,875.31	–	–
Total		**30,155.56**	**22,880.54**	**44,405.13**	**39,925.28**

24. PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		2,812.64	2,927.67	505.77	1,190.86
Provision for Mines Restoration	24.1	–	–	534.69	500.58
Total		**2,812.64**	**2,927.67**	**1,040.46**	**1,691.44**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

24.1 **Movement of Provision :**

Particulars	Provision for Mines Restoration	
	31st March, 2018	31st March, 2017
Balance as at year beginning	**500.58**	**506.17**
Provision made during the year	**34.11**	**–**
Provision utilised during the year	**–**	5.59
Balance as at year end	**534.69**	**500.58**

The Company has an obligation to restore the mines after extract of reserves. Therefore provision has been recognised for the estimate decommisioning and restoration cost in accordance with the mines closure plan.

25. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	36,448.02	35,654.61
Revaluation Surplus	23,417.05	-
Mark to Market Gain on Investments	418.80	5,600.39
Others	27.53	39.96
	60,311.40	41,294.96
Less : Deferred Tax Assets		
Arising on account of :		
Mat Credit Entitlement	18,876.66	17,159.46
Items u/s 43B of Income Tax Act, 1961	6,475.45	6,927.86
Others	1,531.21	1,183.22
	26,883.32	25,270.54
Deferred Tax Liabilities (Net)	**33,428.08**	**16,024.42**

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2017 and 31st March, 2018

Particulars	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2018
Deferred Income Tax Liabilities				
Depreciation	35,654.61	793.41	–	36,448.02
Mark to Market Gain on Investments	5,600.39	(1,351.74)	(3,829.85)	418.80
Revaluation Surplus	–	–	23,417.05	23,417.05
Others	39.96	(272.29)	259.86	27.53
	41,294.96	**(830.62)**	**19,847.06**	**60,311.40**
Deferred Income Tax Assets				
Mat Credit Entitlement	17,159.46	1,717.20	–	18,876.66
Items u/s 43B of Income Tax Act, 1961	6,927.86	(452.41)	–	6,475.45
Others	1,183.22	347.99	–	1,531.21
	25,270.54	**1,612.78**	**–**	**26,883.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	As at 1st April, 2016	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2017
Deferred Tax Liabilities				
Depreciation	35,050.84	603.77	–	35,654.61
Mark to Market Gain on Investments	4,282.22	(911.81)	2,229.98	5,600.39
Others	325.94	(285.98)	–	39.96
	39,659.00	**(594.02)**	**2,229.98**	**41,294.96**
Deferred Tax Assets				
Mat Credit Entitlement	13,173.98	3,985.48	–	17,159.46
Items u/s 43B of Income Tax Act, 1961	6,411.87	515.99	–	6,927.86
Others	1,862.22	(679.00)	–	1,183.22
	21,448.07	**3,822.47**	**–**	**25,270.54**

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

25.3 The Company has not recognised deferred tax assets of NIL (Previous year ₹ 21.17 Lacs) on long term capital losses and Unused tax credits of ₹ 4,687.73 Lacs (Previous year ₹ 4,687.73 Lacs) on account of prudence.

26. OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Liabilities under Litigation		36,469.53	38,053.29	–	–
Less : Paid under protest		19,119.02	19,470.24	–	–
		17,350.51	18,583.05	–	–
Advances Received from Customers		–	–	7,536.23	8,604.75
Statutory Dues		–	–	8,655.19	5,024.17
Bonus Liability		–	–	1,011.03	1,044.78
Deferred Revenue	26.1	410.31	106.16	116.99	30.90
Others		488.99	488.99	0.05	–
Total		**18,249.81**	**19,178.20**	**17,319.49**	**14,704.60**

26.1 Movement of Deferred Revenue

Particulars	2017-18	2016-17
Opening Balance	137.06	178.77
Grants received during the year	478.91	–
Less: Released to Statement of Profit & Loss	88.67	41.71
Closing Balance	**527.30**	**137.06**
Current portion	116.99	30.90
Non Current portion	410.31	106.16

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

27. SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Loans Repayable on Demand			
From Banks			
Rupee Loans		745.42	1,385.24
Other Loans			
From Banks			
Buyers' Credit in Foreign Currency		1,430.67	–
Packing Credit in Indian Currency		1,500.00	753.34
Total		3,676.09	2,138.58
The above amount includes			
Secured Borrowings	27.1	745.42	1,385.24
Unsecured Borrowings		2,930.67	753.34
Total		**3,676.09**	**2,138.58**

27.1 Working Capital Loans of ₹ 745.42 Lacs (Previous year ₹ 1,385.24 Lacs) from banks are secured by way of first charge on hypothecation of Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future of the Company's and further by way of second charge on pari-passu basis on movable and immovable Property, Plant and Equipment and Intangible Assets of the Company's Cement Division.

28. TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Trade Payables for goods and services			
Total outstanding dues of creditors to micro enterprises and small enterprises	45	128.28	123.10
Total outstanding dues of creditors to other than micro enterprises and small enterprises		30,796.52	19,231.83
Total		**30,924.80**	**19,354.93**

29. REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Products (including Excise Duty)	29.1	3,81,038.99	3,77,097.31
Own Consumption		565.91	1092.72
		3,81,604.90	**3,78,190.03**
Other Operating Revenues			
Incentives & Subsidies		1,834.68	4,928.10
Export Benefits		418.76	403.01
Income from Royalty		2,096.70	104.51
Insurance and Other Claims (Net)		162.93	149.26
Miscellaneous Sale		425.43	327.30
		4,938.50	**5,912.18**
Total		**3,86,543.40**	**3,84,102.21**

29.1 Sale of Products including own consumption for the year are not comparable with previous year, since the same are net of Goods and Services Tax (GST) w.e.f. 1st July, 2017, whereas excise duty form part of sales in previous year. Sale of Products including own consumption for the current year includes excise duty upto 30th June, 2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

30. OTHER INCOME

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income			
On Investments		80.45	701.42
On Banks Deposits		1,058.45	2,051.67
On Income Tax Refund		1,760.11	–
On Other Deposits, etc		104.41	205.08
Dividend Income		101.62	155.06
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		1,990.76	7,449.60
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		986.60	1,015.14
Net Gain/ (Loss) on OCI Items Reclassified to Statement of Profit & Loss		–	(43.89)
Other Non Operating Income			
Profit on sale/discard of Property, Plant and Equipment (Net)		203.86	(18.02)
Profit on revaluation of Live Stock		5.31	(3.74)
Profit on sale of Non Current Assets classified as held for sale		50.82	–
Excess Liabilities and Unclaimed Balances written back		909.92	2,089.17
Excess Provision written back		26.62	–
Excess Depreciation written back		7.28	48.63
Insurance and Other Claims (Net)		149.67	105.39
Miscellaneous Income		452.22	664.81
Total		**7,888.10**	**14,420.32**

31. COST OF MATERIALS CONSUMED

Raw Material Consumed		63,365.77	58,937.08
Total		**63,365.77**	**58,937.08**

32. PURCHASE OF STOCK IN TRADE

Traded Goods - Jute Goods		45.48	–
Total		**45.48**	**–**

33. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods		11,649.44	12,146.95
Work-In-Progress		9,505.46	11,534.48
		21,154.90	23,681.43
Inventories at the end of the year			
Finished Goods		9,826.22	11,649.44
Work-In-Progress		7,916.32	9,505.46
		17,742.54	21,154.90
Change in Inventory		**3,412.36**	**2,526.53**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

34. EMPLOYEE BENEFITS EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries & Wages		22,820.88	22,910.86
Contribution to Provident and Other Funds		2,729.25	2,639.79
Staff Welfare Expenses		901.31	905.95
		26,451.44	26,456.60
Less : Amount Capitalised		0.29	3.46
Total		**26,451.15**	**26,453.14**

35. FINANCE COST

Interest Expenses			
To Debenture Holders		6,226.50	5,682.61
" Banks on Term Loans, etc.		7,681.36	6,001.41
" Banks On Working Capital Loans		251.50	393.65
On Deposits and Others		1,647.67	1,414.39
Exchange Differences regarded as an adjustment to Borrowing Costs		720.45	200.59
Other Borrowing Costs			
Other Financial Charges		153.43	318.00
		16,680.91	14,010.65
Less : Amount Capitalised		160.09	87.79
Total		**16,520.82**	**13,922.86**

35.1 The capitalization rate for the general borrowing is 6.35% p.a. (Previous year 8.62% p.a.)

36. DEPRECIATION AND AMORTIZATION EXPENSES

On Tangible Assets		14,402.85	14,676.40
On Intangible Assets		202.01	42.43
On Investment Property		0.50	0.50
Total		**14,605.36**	**14,719.33**

37. OTHER EXPENSES

Manufacturing Expenses			
Stores & Spare Parts Consumed		15,959.17	15,889.40
Packing Materials Consumed		13,369.51	12,038.25
Power & Fuel		86,345.60	72,410.77
Royalty & Cess		5,340.21	6,261.06
Repairs to Buildings		1,325.81	1,605.74
Repairs to Machinery		4,592.03	4,558.46
Freight & Material Handling on Inter Unit Transfer		16,749.76	13,400.59
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		(1,186.28)	(233.01)
Other Manufacturing Expenses		4,662.08	3,663.13
		1,47,157.89	**1,29,594.39**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Selling and Administration Expenses			
Brokerage & Commission on Sales		2,529.54	2,085.54
Transport & Forwarding Expenses		79,496.85	62,462.90
Insurance		460.06	317.46
Rent		1,492.39	1,477.66
Repairs to Other Assets		341.22	334.64
Rates & Taxes		586.06	1,127.75
Development Cess on Cement		–	21.20
Advertisement		3,606.19	1,994.84
Charity & Donation		–	51.25
Corporate Social Responsibility Expenses	49	424.12	383.91
Auditors' Remuneration	37.1	60.43	88.29
Net (Gain)/Loss on Foreign currency transaction and translation	37.2	1,519.70	1,647.03
Diminution in value of Non Current Investment		0.99	–
Net Provision for doubtful debts/advances		32.81	100.44
Bad Debts		4.59	–
Directors' Fees		52.00	68.00
Other Expenses		7,099.01	7,684.32
		97,705.96	**79,845.23**
Total		**2,44,863.85**	**2,09,439.62**

37.1 Auditors' Remuneration

a.	Statutory Auditors		
	Audit Fees	27.00	27.00
	Tax Audit Fees	6.50	6.50
	Limited Review	17.25	15.31
	Travelling Expenses	5.17	3.71
	Issue of Certificates	–	31.67
		55.92	**84.19**
b.	Cost Auditors		
	Audit Fees	4.00	3.92
	Travelling Expenses	0.51	0.18
		4.51	**4.10**
Total		**60.43**	**88.29**

37.2 Foreign Currency Transaction and Translation

Net (Gain)/Loss on foreign currency transaction and translation	746.57	32.69
Less : Amount Capitalised/(Decapitalized)	(235.13)	(11.93)
Add : Amortisation of Foreign Currency Monetary Item Translation Difference Account	538.00	1,602.41
Total	**1,519.70**	**1,647.03**

38. EXCEPTIONAL ITEM

On account of demand for cost of Fly Ash	38.1	–	682.14
On account of Entry Tax Liability	38.2	1,247.93	–
Total		**1247.93**	**682.14**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

38.1 Towards provision made against demand received from Kota Thermal Power Station, Kota for Fly ash lifted from 30th June, 2012 to 9th February, 2017 in terms of order dated 19th January, 2017 issued by Hon'ble Supreme Court.

38.2 Entry Tax Liability under the West Bengal Tax on Entry of Goods into Local Areas Act, 2012 for the period 2012-13 to 2016-17.

39. TAX EXPENSE

	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax for the year	39.1	2,784.66	5,268.59
Less : MAT Credit Entitlement		1,717.20	3,985.48
Current Tax		1,067.46	1,283.11
Deferred Tax		(726.20)	(431.02)
		341.26	**852.09**
Income Tax for earlier years		(2,080.98)	–
Total		**(1,739.72)**	**852.09**

39.1 **Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income**

Income before Income taxes		9,772.63	22,251.86
Indian Statutory Income tax Rate	39.2	34.608%	34.608%
Estimated Income tax expenses		**3,382.11**	**7,700.92**
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense :			
Deduction under Chapter VIA		(2,319.69)	(6,350.17)
Tax payable at different rate		33.28	712.76
Effect of Tax Allowance		–	–
Deferred Tax/MAT Credit Entitlement		(956.64)	(1,965.16)
Others		202.20	753.74
		(3,040.85)	**(6,848.83)**
Income Tax expense in the Statement of Profit and Loss		**341.26**	**852.09**

39.2 Applicable Indian Statutory Income Tax rate for Fiscal Year 2018 & 2017 is 34.608%. However, Company is required to pay tax u/s 115JB of Income Tax Act, 1961.

40. OTHER COMPREHENSIVE INCOME

40.1 **Items that will not be reclassified to profit or loss**

Remeasurement of the defined benefit plans		743.66	(842.36)
Less: Tax expense on the above		259.86	(180.40)
		483.80	**(661.96)**
Revaluation Surplus	5.2	1,05,456.39	–
Less: Tax expense on the above		23,417.05	–
		82,039.34	**–**
Equity Instruments through Other Comprehensive Income		3,021.20	10,269.45
Less: Tax expense on the above		(3,807.52)	2,191.66
		6,828.72	**8,077.79**

40.2 **Items that will be reclassified to profit or loss**

Debt Instruments through Other Comprehensive Income		(63.91)	68.15
Less: Amount reclassified to Statement of Profit and Loss		-	43.89
		(63.91)	112.04
Less: Tax expense on the above		(22.33)	38.32
		(41.58)	**73.72**
Total		**89,310.28**	**7,489.55**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

41. CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

		Particulars	As at 31st March, 2018	As at 31st March, 2017
41.1		**Claims/Disputes/Demands not acknowledged as debts –**		
	a.	Demand notice for levying sales tax on packing material at the rate applicable on cement. Writ petition has been filed and the matter is pending before the Hon'ble High Court, Chandigarh.	161.07	161.07
	b.	Demand for Water Supply Charges under Rajasthan Irrigation & Drainage Act, 1954. Writ petition has been filed before the Hon'ble High Court, Rajasthan which has granted stay in the matter.	147.40	147.40
	c.	Additional U. P. Sales Tax demanded by enhancing the value of cement. The case has been decided by the Tribunal in Company's favour. Department has filed revision petition before the Hon'ble High Court, Allahabad against order of the Tribunal. The Hon'ble High Court has remanded the case to UP Trade Tax Tribunal.	146.40	146.40
	d.	Demand for interest on delayed payment of Entry Tax raised by the U.P. Trade Tax Department, Allahabad. Writ petition has been filed before the Hon'ble High Court, Allahabad which has granted stay in the matter.	132.11	132.11
	e.	Cenvat Credit taken on Goods Transporting Agency service on the basis of TR-6 challan disallowed. Appeal filed before the Custom, Excise & Service Tax Appellate Tribunal, New Delhi which was allowed in company's favour. Department filed writ petition before the Hon'ble High Court, Rajasthan against CESTAT Order dated 23rd December, 2015. The Hon'ble High Court has rejected the department appeal and issue order dt. 18th January, 2018.	–	138.36
	f.	Stamp Duty for registration/execution of deed of certain Limestone Mining Lease. The petition will be decided by the Hon'ble High Court as directed by the Hon'ble Supreme Court.	604.80	604.80
	g.	Renewable Energy Surcharge on account of shortfall of energy purchase from renewable energy sources as per Rajasthan Electricity Regulatory Commission notification dt. 23rd March, 2007. The matter is pending before the Hon'ble High Court, Rajasthan.	1,726.67	1,726.67
	h.	Demand of penalty by Sub Divisional Officer, Raghuraj Nagar, for alleged impermissible mining in Village Naina. Writ Petition has been filed and stay has been granted by the Hon'ble M.P.High Court, Jabalpur.	1,160.00	1,160.00
	i.	Demand under Income Tax Act, 1961 for Assessment Year 2011-12, 2012-13, 2013-14 & 2014-15, the matter is pending before Commissioner of Income Tax (Appeals).	2,302.50	2,712.24
	j.	Demand by Commissioner, Central Excise, Jaipur disallowing CENVAT credit on item used in manufacturing of Thermal Power Plant, reply filed. The matter is pending before the Commissioner, Central Excise, Jaipur	645.27	645.27
	k.	Demand for Entry Tax and Interest there on under U.P. VAT Act. Case is pending before the Hon'ble Supreme Court.	4,412.85	3,967.65
	l.	Demand of House Tax under Rajasthan Municipalities (Land and Building Tax) Rules, 1961 raised by Municipal Board, Chittorgarh for the period 1987 to 2006. The matter is pending before the Hon'ble High Court, Rajasthan.	251.73	251.73
	m.	Demand of Punjab VAT for the Assessment Year 2005-06. Writ Petition has been filed and the matter is pending before the Hon'able Punjab & Haryana High Court.	112.31	112.31
	n.	Demand for Education cess by the Municipal Corporation, Satna. Appeal filed and pending before the Hon'ble M. P. High Court, Jabalpur.	209.74	185.34
	o.	Entry Tax as per The West Bengal Tax on Entry of Goods into Local Areas Act, 2012 on the entry of goods in the state of West Bengal, which has been settled and paid by the company during the year under the West Bengal Sales Tax (Settlement of dispute) Act,1999.	–	1,177.52
	p.	The Hon'ble High Court, Rajasthan, levied a compensation for alleged damage to the Chittorgarh Fort. Special Leave Petition has been filed before the Hon'ble Supreme Court and stay has been granted in the matter.	450.00	450.00

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
q.	Demand for Royalty on Limestone and interest thereon by Dy. Director, Mining Office, Satna. The matter is pending till the conclusion of audit conducted on the basis of guidelines issued by the Government of Madhya Pradesh.	6,790.62	6,790.62
r.	Demand for Excise duty on Clinker captively consumed in Cement Production meant for supply to SEZ. The case has been decided by Commissioner, Appeal in Company's favour. Department has filed appeal with Custom Excise Service Tax Appellate Tribunal (CESTAT), New Delhi. The Custom Excise Service Tax Appellate Tribunal (CESTAT) rejected the department appeal vide order no. A/57123/2017-EX (DB) dated 22nd September, 2017.	–	130.15
s.	Demand for District Mineral Foundation Contribution on Royalty on Limestone and Coal. Writ petition has been filed before the Hon'ble Supreme Court and the case has been decided in favour of the Company during the year.	–	365.13
t.	Demand for excise duty under Central Excise Act, 1985 leviable on branded Hessian Bags and Sacking Bags for the period from 1st March, 2011 to 28th February, 2013, which on appeal in the similar case, by other party, rejected by the Hon'ble Supreme Court during the year.	–	904.49
u.	Demand for entry tax including interest thereon raised for the period 2013-14, 2014-15 and 2015-16 in pursuance of reassessment proceeding initiated under Bihar Value Added Tax Act,2005. Writ petition has been filed before the Hon'ble High Court, Patna, which remanded back the case to the Office of the Joint Commissioner (Appeal).	8,289.91	–

41.2 Other Claims/Disputes/Demands (being less than ₹ 100.00 Lacs) pending in various legal forums for Sales Tax, Excise Duty & Service Tax, Rates & Taxes, E.S.I., Electricity Duty & Surcharge, Electricity Charges, Export Tax, Entry Tax including interest thereon and other claims - ₹ 46.34 Lacs, ₹ 536.58 Lacs, ₹ 72.06 Lacs, ₹ 4.91 Lacs, ₹ 0.56 Lacs, NIL, ₹ 82.96 Lacs, ₹ 24.56 Lacs, ₹ 175.76 Lacs (Previous Year ₹ 46.34 Lacs, ₹ 331.98 Lacs, ₹ 72.06 Lacs, ₹ 4.91 Lacs, ₹ 0.56 Lacs, ₹ 59.49 Lacs, ₹ 82.96 Lacs, ₹ 52.75 Lacs and ₹ 170.03 Lacs) respectively.

41.3 Disputed amount of ₹ 68.61 Lacs [Paid under protest ₹ 68.61 Lacs] (Previous Year ₹ 68.61 Lacs [Paid under protest ₹ 68.61 Lacs]) in respect of difference of Fuel Cost Adjustment Charges, ₹ 463.60 Lacs [Paid under protest ₹ 19.77 Lacs] (Previous Year ₹ 463.60 Lacs [Paid under protest ₹ 19.77 Lacs]) in respect of demand of Water Supply Charges, ₹ 355.19 Lacs [Paid under protest ₹ 137.39 Lacs] (Previous Year ₹ 355.19 Lacs [Paid under protest ₹ 137.39 Lacs]) in respect of Surcharge on Electricity, ₹ 2,226.44 Lacs [Paid under protest ₹ 273.24 Lacs] (Previous Year ₹ 1,965.30 Lacs [Paid under protest ₹ 414.28 Lacs]) in respect of MODVAT/CENVAT claims, ₹ 3,500.97 Lacs [Paid under protest ₹ 1,810.33 Lacs] (Previous Year ₹ 3,290.13 Lacs [Paid under protest ₹ 1,707.32 Lacs]) in respect of Sales Tax/VAT, ₹ 400.24 Lacs [paid under protest ₹ 24.27 Lacs] (Previous Year ₹ 358.35 Lacs [paid under protest ₹ 24.62 Lacs]) in respect of Entry Tax, ₹ 193.01 Lacs [Paid under protest ₹ 30.64 Lacs] (Previous Year ₹ 192.17 Lacs [Paid under protest ₹ 30.19 Lacs]) in respect of Service Tax, ₹ 1,225.25 Lacs [Paid under protest ₹ 1,407.22 Lacs] (Previous Year ₹ 3,569.55 Lacs [Paid under protest ₹ 3,751.51 Lacs]) in respect of Income Tax, ₹ 4,360.10 Lacs [Paid under protest ₹ 286.07 Lacs] (Previous Year ₹ 3,868.22 Lacs [Paid under protest ₹ 272.36 Lacs]) in respect of Excise Duty , ₹ 29.08 Lacs [Paid under protest ₹ 10.76 Lacs] (Previous Year ₹ 29.08 Lacs [Paid under protest ₹ 10.76 Lacs]) in respect of Land Diversion Tax impose by SDO Raghuraj Nagar, ₹ 29.70 Lacs [Advance paid ₹ 29.70 Lacs] (Previous Year ₹ 29.70 Lacs [Advance paid ₹ 29.70 Lacs]) in respect of octroi, ₹ 208.20 Lacs [Paid under protest ₹ 15.62 Lacs] (Previous Year ₹ 208.20 Lacs [Paid under protest ₹ 15.62 Lacs]) in respect of custom duty and Nil [Paid under protest Nil] (Previous Year ₹ 2.41 Lacs [Paid under protest ₹ 2.41 Lacs]) in respect of other claims, which have not been provided for, as the matters are subjudice.

41.4 In respect of the matters in note no. 41.1 to 41.3, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibilities of any reimbursements to be made to the company from any third party.

41.5 The Company has provided corporate guarantee in the nature of financial gurantee to the lenders of one of its wholly owned subsidiary amounting to ₹ 40,670.72 Lacs (Previous Year ₹ 62,546.90 Lacs) against the long term loans availed by the subsidiary. As on the Balance Sheet date, the balance of such loans was ₹ 40,670.72 Lacs (Previous Year ₹ 2,13,219.24 Lacs).

41.6 **Other Contingent Liabilities**

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
a.	Bills discounted with Banks remaining outstanding	481.85	488.02
b.	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance License Scheme.	115.48	108.56

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

41.7 **Contingent Assets**

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
a.	Insurance claims lodged but not settled.	422.00	53.55
b.	Claim under West Bengal Vat Act,2003 for the year 2010-11 & 2013-14 and Central Sales Tax Act,1956 for the year 2006-07	15.21	15.21

42. The Board of Directors at its meeting held on 16th May, 2018 have recommended a payment of final dividend of ₹ 6.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2018. The same amounts to ₹ 6,034.21 Lacs (including dividend distribution tax of ₹ 1,028.86 Lacs).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

43. Commitments

Capital Commitments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	5,193.94	6,297.90

44. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are :

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Current			
Financial assets			
Trade Receivables	16	15,895.46	8,948.93
		15,895.46	**8,948.93**
Non–financial assets			
Inventories	14	52,840.79	49,033.05
Others	13	28.88	27.00
		52,869.67	**49,060.05**
Total current assets pledged as security		**68,765.13**	**58,008.98**
Non–current			
Land	5	1,07,722.73	7,956.40
Buildings	5	16,616.22	16,600.83
Plant & Machinery	5	1,66,691.78	1,69,713.94
Others Tangible Assets	5	12,231.90	8,450.69
Other Non Current Assets	7 & 13	1,344.95	769.09
Total non-currents assets pledged as security		**3,04,607.58**	**2,03,490.95**
Total assets pledged as security		**3,73,372.71**	**2,61,499.93**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

45. Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year: Principal Interest	 128.28 –	 123.10 –
ii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii.	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–

46. Operating leases

46.1 **As Lessee**

The Company's significant leasing arrangements are in respect of operating leases for premises (residential,manufacturing facilities, office, stores, godown) etc. These leasing arrangements which are cancellable ranging between 11 months and 33 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

46.1.1 **Future Minimum Lease Payments**

At 31st March, the future minimum lease payments to be made under non-cancellable operating leases are as follows :

Particulars	As at 31st March, 2018	As at 31st March, 2017
Payables within one year	14.51	17.28
Payables later than one year but not later than five years	58.04	72.34
Payables later than five years	350.07	380.77

46.1.2 The Company has entered into leasing agreements under operating lease in respect of Land for original lease period ranging upto 33 years. Total operating lease expenses recognised in the Statement of Profit and Loss for the year is ₹ 1,492.39 Lacs (previous year ₹ 1,477.66 Lacs).

46.2 **As Lessor**

46.2.1 The Company leases out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in note no 6.

47. Earnings Per Share

Particulars	As at 31st March, 2018	As at 31st March, 2017
Profit for the year	11,512.35	21,399.77
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic - and diluted (₹) (Face value of ₹10/- per share)	14.95	27.79

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

48. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

48.1 **Defined Contribution Plan :**

The amount recognized as an expense for the Defined Contribution Plans are as under :

Sl. No.	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a.	Provident Fund	100.31	84.43
b.	Superannuation Fund	348.81	354.18
c.	Pension Fund	694.57	728.98

48.2 **Defined Benefit Plan :**

The following are the types of defined benefit plans :

48.2.1 **Gratuity Plan**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

48.2.2 **Pension Plan**

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

48.2.3 **Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

48.2.4 **Risk Exposure**

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Inertest Rate Risk, Salary Risk and Demographic Risk.

a) Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) Salary risk : Higher than expected increases in salary will increase the defined benefit obligation.

c) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

48.2.5 **Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Balance at the beginning of the year	12,242.84	11,150.49	83.10	85.56
Current Service Cost	707.39	591.21	–	–
Interest Cost on Defined Benefit Obligation	825.89	848.43	5.38	6.30
Actuarial Gain and Losses arising from				
Changes in demographic assumptions	–	–	–	–
Changes in financial assumptions	(389.39)	753.80	(9.62)	3.81
Expereince Adjustment	(218.09)	4.17	(1.48)	1.06
Benefits Paid	(888.78)	(1,105.26)	(12.54)	(13.63)
Balance at the end of the year	**12,279.86**	**12,242.84**	**64.84**	**83.10**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

48.2.6 **Reconciliation of the Plan Assets**

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Balance at the beginning of the year	11,497.24	10,338.54	–	–
Interest Income on Plan Assets	808.70	843.48	–	–
Remeasurement of Defined Benefit Obligation :			–	–
Return on plan assets greater/ (lesser) than discount rate	125.08	(79.52)	–	–
Employer Contributions to the Plan	1,000.02	1,500.00	–	–
Benefits Paid	(888.79)	(1,105.26)	–	–
Balance at the end of the year	**12,542.25**	**11,497.24**	**–**	**–**

48.2.7 **The amount recognised in the Balance Sheet**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Net Asset/(Liability) recognised in the Balance Sheet				
Present value of Defined Benefit Obligation	12,279.86	12,242.84	64.84	83.10
Fair Value of Plan Assets	12,542.25	11,497.24	–	–
Net Asset/(Liability) in the Balance Sheet	**262.39**	**(745.60)**	**(64.84)**	**(83.10)**

48.2.8 **Expenses recognized in profit or loss**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Current Service Cost	707.39	591.21	–	–
Interest Cost	825.89	848.43	5.38	6.30
Interest Income on Plan Assets	(808.70)	(843.48)	–	–
Total Expenses	**724.58**	**596.16**	**5.38**	**6.30**

48.2.9 **Remeasuremets recognized in other comprehensive income**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Actuarial (gain)/ Loss on defined benefit obligation	(607.48)	757.97	(11.10)	4.87
Return on plan assets (greater)/ lesser than discount rate	(125.08)	79.52	–	–
Total	**(732.56)**	**837.49**	**(11.10)**	**4.87**

48.2.10 **Major Categories of Plan Assets**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Qualified Insurance Policy	100%	100%	–	–

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard LIfe Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited and Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

48.2.11 **Asset-Liability Matching Strategy**

The compan's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investment are being managed by these insurance companies and at the year end interest is being credited to the fund value. The company has not changed the process used to manage its risk from previous periods. The company's investment are fully secured and would be sufficient to cover its obligations

48.2.12 **Actuarial Assumptions**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Financial Assumptions				
Discount Rate	7.50%	7.00%	7.50%	7.00%
Salary Escalation Rate	5% to 8%	5% to 8%	–	–
Demographic Assumptions				
Mortality Rate	IAL (2006-08) Modified Ultimate	IAL (2006-08) Modified Ultimate	LIC (1996-1998) Ultimate	LIC (1996-1998) Ultimate
Withdrawal Rate	2.00%	2.00%	–	–

48.2.13 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

48.2.14 At 31st March, 2018, the weighted average duration of the defined benefit obligation was 6 years (previous year 6 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Expected benefits payment for the year ending on (undiscounded)	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Within 1 Year	1,788.23	1,771.62	10.62	12.30
1 to 2 Year	1,243.97	1,438.97	10.27	12.65
2 to 3 Year	1,157.64	1,241.77	10.32	12.42
3 to 4 Year	1,243.38	1,173.10	9.96	12.33
4 to 5 Year	1,335.22	1,254.11	10.31	11.87
More than 5 Years	7,598.41	7,631.30	46.40	57.56

48.2.15 The Company expects to contribute ₹ 259.00 Lacs (previous year ₹ 773.08 Lacs) to its gratuity fund in 2018-19.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years :

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Within next 12 months (next annual reporting period)	259.00	773.08	–	–
Between 2 and 5 years	400.00	800.00	–	–
Between 5 and 10 years	600.00	900.00	–	–
Beyond 10 years	1,000.00	1,200.00	–	–

48.2.17 In respect of provident fund in the nature of defined benefit plans contribution amounting to ₹ 565.80 Lacs (Previous Year ₹ 563.56 Lacs) and the accrued past service liability of NIL (Previous Year NIL) as valued by the actuary using Projected Unit Credit Method is recognized as an expenses and included in "Employee Benefit Expenses".

48.2.18 **Sensitivity Analysis**

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Effect on DBO due to 1% increase in Discount Rate	(712.31)	(757.91)	(2.78)	(3.81)
Effect on DBO due to 1% decrease in Discount Rate	813.22	866.83	3.04	4.19
Effect on DBO due to 1% increase in Salary Escalation Rate	801.53	850.16	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(714.96)	(757.46)	–	–

Sensitivity due to mortality and withdrawl rate are being insignificant, hence ignored.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

49. In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosure are as follows:

49.1

Particulars	For the year ended on	
	31st March, 2018	31st March, 2017
Gross Amount Required to be spent by the company during the year	424.00	368.02
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR expenditure	NIL	NIL

49.2 Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March, 2018			For the year ended on 31st March, 2017		
		In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
i	Construction/ Acquisition of any asset	–	–	–	–	–	–
ii	On purposes other than (i) above	422.87	1.25	424.12	352.81	31.10	383.91

50. The Board of Directors of the Company at its meeting held on 25th July, 2013 had approved the Scheme of Amalgamation to amalgamate Talavadi Cements Limited, a 98% subsidiary with Birla Corporation Limited with an appointed date of 1st April, 2013. The Scheme is pending for the approval of the National Company Law Tribunal, Kolkata.

51. Pursuant to the Share Purchase Agreement ("Agreement"), the Company had acquired 100% of Reliance Cement Company Private Limited ("RCCPL") from Reliance Infrastructure Limited on 22nd August, 2016. In terms of the Agreement, the Company has paid during the year additional amounts aggregating to ₹ 1,874.20 Lacs towards the purchase consideration and the same has been adjusted to Investment cost.

52. In view of decision of Hon'ble Supreme Court dated 24th September, 2014, the allocation of Bikram Coal Block to the company was cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Act, 2015, which inter alia provides for compensation to prior allottees against expenditure incurred on the cancelled coal block. The company has submitted its claim for compensation of amount incurred on Coal Block amounting to ₹ 1,609.54 Lacs. Consequential adjustment shall be made on settlement of the claim.

53. Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

53.1 The Company's Unit Soorah Jute Mills is under Suspension of Operations since 29th March, 2004.

53.2 The Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

53.3 In respect of mining matter of Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing.

54. Fair Value Measurment:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

54.1 **The following methods and assumptions were used to estimate the fair values :**

54.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

54.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

54.2 **Fair Value Hierarchy**

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

54.3 **The following table provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities:**

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(a) Disclosure for the year ended 31st March, 2018					
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.08	0.08	–	–	–
Trade Receivables	15,895.46	15,895.46	–	–	–
Loans Given	436.45	436.45	–	–	–
Cash and Cash Equivalents	8,909.55	8,909.55	–	–	–
Other Bank Balances	11,098.03	11,098.03	–	–	–
Security Deposits	3,020.59	3,020.59	–	–	–
Other Deposits and Advances	264.41	264.41	–	–	–
Interest accrued on Deposits	259.55	259.55	–	–	–
Fixed Deposits maturing after 12 months from Balance sheet date	85.97	85.97	–	–	–
Other Financial Assets	237.13	237.13	–	–	–
Incentive and Subsidy Receivable	18,843.58	18,843.58	–	–	–
	59,050.80	**59,050.80**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	10,839.01	10,839.01	–	–	10,839.01
- Mutual Funds	41,277.21	41,277.21	41,277.21	–	–
Derivative Instrument	55.62	55.62	–	55.62	–
	52,171.84	**52,171.84**	**41,277.21**	**55.62**	**10,839.01**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	24,993.21	24,993.21	24,993.21	–	–
- Unlisted Equity Instrument	5.42	5.42	–	–	5.42
- Bonds and Debentures	743.42	743.42	743.42	–	–
- Government Securities	100.29	100.29	100.29	–	–
	25,842.34	**25,842.34**	**25,836.92**	**–**	**5.42**
Total Financial Assets	**1,37,064.98**	**1,37,064.98**	**67,114.13**	**55.62**	**10,844.43**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
– Debentures	68,000.00	68,796.23	–	–	68,796.23
Floating Rate					
– Rupee Term Loan	59,464.40	59,464.40	–	–	–
– Foreign Currency Term Loan	56,682.47	56,682.47	–	–	–
– Finance Lease Obligation	13.33	13.33	–	–	–
Others - Rupee Term Loan	287.97	287.97	–	–	–
Short Term Borrowings	3,676.09	3,676.09	–	–	–
Trade Payables	30,924.80	30,924.80	–	–	–
Trade & Security Deposits	29,380.16	29,380.16	–	–	–
Amount Payable for Capital Goods	1,764.71	1,764.71	–	–	–
Interest accrued but not due on Borrowings	2,885.31	2,885.31	–	–	–
Employees Related Liabilities	1,764.28	1,764.28	–	–	–
Other Financial Liabilities	25,532.68	25,532.68	–	–	–
Total Financial Liabilities	**2,80,376.20**	**2,81,172.43**	**–**	**–**	**68,796.23**
(b) Disclosure for the year ended 31st March, 2017					
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.08	0.08	–	–	–
Trade Receivables	8,948.93	8,948.93	–	–	–
Loans Given	500.01	500.01	–	–	–
Cash and Cash Equivalents	7,747.04	7,747.04	–	–	–
Other Bank Balances	22,325.22	22,325.22	–	–	–
Security Deposits	2,851.29	2,851.29	–	–	–
Other Deposits and Advances	754.96	754.96	–	–	–
Interest accrued on Deposits	434.23	434.23	–	–	–
Fixed Deposits maturing after 12 months from Balance sheet date	88.12	88.12	–	–	–
Other Financial Assets	243.50	243.50	–	–	–
Incentive and Subsidy Receivable	18,296.07	18,296.07	–	–	–
	62,189.45	**62,189.45**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	10,257.01	10,257.01	–	–	10,257.01
- Mutual Funds	33,239.30	33,239.30	33,239.30	–	–
	43,496.31	**43,496.31**	**33,239.30**	**–**	**10,257.01**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Other Comprehensive Income					
Investments					
– Listed Equity Instrument	21,972.01	21,972.01	21,972.01	–	–
– Unlisted Equity Instrument	5.16	5.16	–	–	5.16
– Bonds and Debentures	806.74	806.74	806.74	–	–
– Government Securities	100.85	100.85	100.85	–	–
	22,884.76	**22,884.76**	**22,879.60**	**–**	**5.16**
Total Financial Assets	**1,28,570.52**	**1,28,570.52**	**56,118.90**	**–**	**10,262.17**
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
– Debentures	68,000.00	69,408.41	–	–	69,408.41
Floating Rate					
– Rupee Term Loan	59,325.35	59,325.35	–	–	–
– Foreign Currency Term Loan	65,619.03	65,619.03	–	–	–
– Finance Lease Obligation	13.27	13.27	–	–	–
Others - Rupee Term Loan	–	–	–	–	–
Short Term Borrowings	2,138.58	2,138.58	–	–	–
Trade Payables	19,354.93	19,354.93	–	–	–
Trade & Security Deposits	22,046.55	22,046.55	–	–	–
Amount Payable for Capital Goods	1,894.60	1,894.60	–	–	–
Interest accrued but not due on Borrowings	3,075.41	3,075.41	–	–	–
Employees Related Liabilities	1,559.00	1,559.00	–	–	–
Other Financial Liabilities	24,009.11	24,009.11	–	–	–
	2,67,035.83	**2,68,444.24**	**–**	**–**	**69,408.41**
Financial Assets at fair value through Profit & Loss					
Foreign Exchange Forward Contract (MTM)	796.61	796.61	–	796.61	–
	796.61	**796.61**	**–**	**796.61**	**–**
Total Financial Liabilities	**2,67,832.44**	**2,69,240.85**	**–**	**796.61**	**69,408.41**

54.4 **Description of significant unobservable inputs to Valuation**

Particulars	Significant Unobservable Inputs	Fair value as at		Sensitivity of the input to fair value
		31st March, 2018	31st March, 2017	
Unquoted Preference Shares	Risk Adjusted Discount Rate (10.68%, Previous Year: 10.08%)	10,839.00	10,257.00	Increase in Risk adjusted discount rate by 50 bps would lead to a decrease in fair value by ₹ 153.27 lacs (Previous Year: ₹ 178.19 lacs) whereas a decline by 50 bps would increase the fair value by ₹ 155.99 lacs (Previous Year: ₹ 182.60 lacs).

54.5 During the year ended 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

55. Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

55.1 **Credit Risk**

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted,obtaining necessary approvals for credit and taking security deposits from trade channels.

a) Trade Receivables

As at 31st March, 2018

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	2,303.44	9,943.12	1,364.79	339.30	3,150.20
Expected loss rate	0.00%	0.00%	0.00%	0.00%	38.26%
Expected credit losses (Loss allowance provision)	–	–	–	–	1,205.39
Carrying amount of trade receivables (net of impairment)	2,303.44	9,943.12	1,364.79	339.30	1,944.81

As at 31st March, 2017

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	900.13	4,989.49	976.31	272.06	3,010.23
Expected loss rate	0.00%	0.00%	0.00%	0.00%	39.84%
Expected credit losses (Loss allowance provision)	–	–	–	–	1,199.29
Carrying amount of trade receivables (net of impairment)	900.13	4,989.49	976.31	272.06	1,810.94

Reconciliation of loss allowance provision for Trade Receivable :

Particulars	2017-18	2016-17
Loss allowance as at beginning	1,199.29	1,102.03
Changes in loss allowance (Net)	6.10	97.26
Loss allowance as at Year end	1,205.39	1,199.29

There are no customers who represents more than 10% of the total balance of Trade Receivables.

55.2 **Liquidity Risk**

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

55.2.1 **Maturity Analysis for financial liabilities**

(a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2018.

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	30,924.80	–	–	–	30,924.80
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	–	25,000.00	25,000.00
1500 9.15% NCD 2021	–	–	–	15,000.00	–	15,000.00
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	–	502.80	25,005.60	34,491.60	60,000.00
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	–	523.79	523.79
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	12,068.16	661.66	44,351.98	–	57,081.80
Finance lease obligations (Refer Note No. 22.2)	–	0.47	0.47	3.77	8.62	13.33
Short Term Borrowings	745.42	2,930.67	–	–	–	3,676.09
Other financial liabilities						
Trade & Security Deposits*	–	1.75	7.49	–	29,370.92	29,380.16
Amount Payable for Capital Goods	–	1,764.71	–	–	–	1,764.71
Borrowings	–	2,326.13	559.18	–	–	2,885.31
Employees Related Liabilities	–	1,764.28	–	–	–	1,764.28
Others Financial Liabilities	140.01	17,373.97	7,234.05	784.64	–	25,532.67
Total	**885.43**	**69,154.94**	**8,965.65**	**1,13,145.99**	**89,394.93**	**2,81,546.94**

(b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2017

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	19,354.93	–	–	–	19,354.93
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	–	25,000.00	25,000.00
1500 9.15% NCD 2021	–	–	–	15,000.00	–	15,000.00
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	–	–	16,508.40	43,491.60	60,000.00
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	8,765.24	658.36	56,797.17	–	66,220.77
Finance lease obligations (Refer Note No. 22.2)	–	0.47	0.47	3.77	8.56	13.27
Short Term Borrowings	1,385.24	753.34	–	–	–	2,138.58

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Other financial liabilities						
Trade & Security Deposits*	–	14.33	–	–	22,032.22	22,046.55
Amount Payable for Capital Goods	–	1,894.60	–	–	–	1,894.60
Interest accrued but not due on Borrowings	–	2,516.23	559.18	–	–	3,075.41
Employees Related Liabilities	–	1,559.00	–	–	–	1,559.00
Other Financial Liabilities	134.46	23,026.33	–	848.32	–	24,009.11
Total	**1,519.70**	**57,884.47**	**1,218.01**	**1,17,157.66**	**90,532.38**	**2,68,312.22**
Derivative						
Foreign Exchange forwards contracts	–	84.86	711.75	–	–	796.61

* Based on management assumption.

(c) The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

55.3 **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

55.3.1 **Commodity Price Risk**

The Company primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

55.3.2 **Foreign Currency Risk**

The Company has Foreign Currency Exchange Risk on imports of input materials, Capital Equipment(s) and also Borrows funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

The following table demonstrates the sensitivity in the USD, EUR, GBP, CHF and JPY to the Indian Rupee with all other variables held constant.

(a) Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

i) **Unhegde Foreign Currency Exposure** (Amount in Lacs)

Particulars	As at 31st March, 2018			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	–	–	0.19	15.04
Financial Liabilities				
Foreign Currency Term Loan	515.00	33,567.56	–	–
Trade Payables & Others (*)	0.12	7.82	1.29	103.53
Net Exposure in foreign currency	**515.12**	**33,575.38**	**1.10**	**88.49**

(*) Does not includes CHF 3060 and GBP 2450 equivalent to ₹ 0.21 Lacs (Previous Year Nil) ₹ 0.23 Lacs (Previous Year Nil) respectively.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	As at 31st March, 2017					
	USD	INR	EUR	INR	JPY	INR
Financial Assets						
Trade Receivables	11.97	776.03	–	–	–	–
Financial Liabilities						
Foreign Currency Term Loan	691.43	44,842.38	–	–	–	–
Trade Payables & Others	3.19	207.03	1.61	111.86	1.55	0.90
Net Exposure in foreign currency	**682.65**	**44,273.38**	**1.61**	**111.86**	**1.55**	**0.90**

II) **Hegde Foreign Currency Exposure**

(Amount in lacs)

Particulars	As at 31st March, 2018					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	13.78	898.04	–	–	–	–
Forward Contract against Firm Commitments	5.22	340.19	–	–	–	–
Derivative Liabilities						
Forward Contract - Against Payable	427.23	27,842.58	4.58	367.69	–	–
Forward Contract - Against Firm Commitments	1.68	109.16	1.79	143.41	0.47	91.19
Net Exposure in foreign currency	**409.91**	**26,713.51**	**6.37**	**511.10**	**0.47**	**91.19**

Particulars	As at 31st March, 2017			
	USD	INR	EUR	INR
Derivative Assets				
Forward Contract against Trade Receivable	–	–	–	–
Forward Contract against Firm Commitments	–	–	–	–
Derivative Liabilities				
Forward Contract - Against Payable	329.63	21,375.09	2.49	172.86
Forward Contract - Against Firm Commitments	27.71	1,796.73	8.10	561.15
Net Exposure in foreign currency	**357.34**	**23,171.82**	**10.59**	**734.01**

(b) The company uses interest rate swaps to hedge the Interest rate of External Commercial Borrowings of USD 10 Mn.

(c) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Particulars	31st March, 2018			31st March, 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity Increase	5%	(1,678.77)	(1,320.52)	5%	(2,213.67)	(1,741.27)
USD Sensitivity Decrease	5%	1,678.77	1,320.52	5%	2,213.67	1,741.27
EUR Sensitivity Increase	5%	(4.42)	(3.48)	5%	(5.59)	(4.40)
EUR Sensitivity Decrease	5%	4.42	3.48	5%	5.59	4.40
JPY Sensitivity Increase	5%	–	–	5%	(0.04)	(0.04)
JPY Sensitivity Decrease	5%	–	–	5%	0.04	0.04

Sensitivity analysis for CHF and GBP are being insignificant, hence ignored.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

55.3.3 **Interest Rate Risk**

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

Particulars	31st March, 2018	31st March, 2017
Fixed Rate Instruments		
Financial Assets	–	–
Financial Liabilities	68,000.00	68,000.00
	68,000.00	**68,000.00**
Variable Rate Instruments		
Financial Assets	–	–
Financial Liabilities	1,17,081.80	1,26,220.77
	1,17,081.80	**1,26,220.77**

b) Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity

Particulars	31st March, 2018			31st March, 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	(585.41)	(460.48)	0.50%	(631.10)	(496.43)
Interest Rate Decrease by	0.50%	585.41	460.48	0.50%	631.10	496.43

55.3.4 **Other Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the company, fluctuation in their prices are considered acceptable and do not warrant any management.

a) Exposure to other market price risk

Particulars	31st March, 2018	31st March, 2017
Investment in Equity Instruments - quoted	24,993.21	21,972.01
Investment in Mutual Funds	41,277.21	33,239.30
Investment In Bonds	743.42	806.74
Investment in Government Securities	100.37	100.93
	67,114.21	**56,118.98**

b. Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2018			31st March, 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Market rate Increase	5%	3,355.71	2,639.60	5%	2,805.95	2,207.16
Market rate Decrease	5%	(3,355.71)	(2,639.60)	5%	(2,805.95)	(2,207.16)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

56. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings net of lease obligation less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March, 2018	31st March, 2017
Debt Equity Ratio	0.22	0.31

57. Government grants during the year comprising Incentive and Subsidies include:

57.1 Tax incentive for Capital investments under various State Investment Promotion Schemes of ₹ 1,719.78 Lacs (Previous Year ₹ 4,711.56 Lacs).

57.2 Amortisation of the defered revenue of ₹ 4.36 Lacs (Previous Year Nil) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.

57.3 Amortisation of the defered revenue of ₹ 84.31 Lacs (Previous Year ₹ 41.72 Lacs) on account of Investment in Plant & Machineries under various State Investment Promotion Schemes.

57.4 Renewable Energy Certificates for generation of power from Solar Power Plant under Central Electricity Regulatory Commission (Terms and conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 ₹ 26.23 Lacs (Previous Year ₹ 174.82 Lacs).

58. Segment Reporting

A) Primary Segment Information

Particulars	2017-18				2016-17			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales (Including Own Consumption)	3,54,908.50	31,015.10	619.80	3,86,543.40	3,50,272.49	32,762.00	1,067.72	3,84,102.21
(b) Inter Segment Revenue	132.86	–	–	132.86	207.59	–	–	207.59
Total	**3,55,041.36**	**31,015.10**	**619.80**	**3,86,676.26**	**3,50,480.08**	**32,762.00**	**1,067.72**	**3,84,309.80**
Less : Inter Segment Revenue	132.86	–	–	132.86	207.59	–	–	207.59
Revenue from Operations	**3,54,908.50**	**31,015.10**	**619.80**	**3,86,543.40**	**3,50,272.49**	**32,762.00**	**1,067.72**	**3,84,102.21**
Segment Result	**22,856.24**	**1,725.95**	**(260.25)**	**24,321.94**	**26,061.78**	**2,322.92**	**(213.95)**	**28,170.75**
Add:								
(i) Interest Income				3,003.42				2,958.17
(ii) Unallocated Income net of unallocated Expense				(1,031.91)				5,045.80
Less :								
(i) Interest Expense				16,520.82				13,922.86
Profit before Tax				**9,772.63**				**22,251.86**
Tax Expenses								
Current Tax				1,067.46				1,283.11
Deferred Tax				(726.20)				(431.02)
Income Tax for earlier years				(2,080.98)				-
Profit after tax				**11,512.35**				**21,399.77**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	2017-18				2016-17			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Other Information								
Segment Assets	3,19,146.41	94,089.38	14,701.47	4,27,937.26	2,95,474.96	15,370.33	2,778.66	3,13,623.95
Unallocated assets				3,38,605.29				3,28,097.12
Total				**7,66,542.55**				**6,41,721.07**
Segment Liabilities	85,833.96	2,563.13	131.45	88,528.54	94,493.26	2,140.40	298.54	96,932.20
Unallocated liabilities				2,65,169.37				2,27,376.21
Total				**3,53,697.91**				**3,24,308.41**
Capital Expenditure	15,348.60	636.39	275.29	16,260.28	11,509.31	647.38	295.53	12,452.22
Common Capital Expenditure				641.65				500.05
Total				**16,901.93**				**12,952.27**
Depreciation	13,404.96	851.00	98.17	14,354.13	13,601.92	792.39	95.63	14,489.94
Common Depreciation				251.23				229.39
Total				**14,605.36**				**14,719.33**

B) Secondary (Geographical) Segment Information

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

Particulars	2017-18	2016-17
1. Revenue from external customers		
– Within India	3,80,240.75	3,76,377.10
– Outside India	6,302.65	7,725.11
Total	**3,86,543.40**	**3,84,102.21**

2. The Company does not have any tangible, intangible assets and non current operating assets located outside India.

C) Other Disclosures

The Company's operations predominantly relate to Cement and other products are Jute Goods, Auto Trims and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in these financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

59. Related Party Disclosures

59.1 **As defined in Indian Accounting Standard-24, the Company has a related party relationship in the nature of control over its subsidiaries namely :**

Name of the Entity	Place of Incorporation	Ownership Interest held by the Company	
		31st March, 2018	31st March, 2017
Birla Corporation Cement Manufacturing PLC (Under Voluntary Winding-up)	Ethiopia	100%	100%
Birla Jute Supply Company Limited	India	100%	100%
Talavadi Cements Limited	India	98.01%	98.01%
Lok Cement Limited	India	100%	100%
Budge Budge Floorcoverings Ltd.	India	100%	100%
Birla Cement (Assam) Ltd.	India	100%	100%
M. P. Birla Group Services Pvt. Ltd.	India	100%	100%
Reliance Cement Co. Pvt Ltd.	India	100%	100%

59.2 Other related parties with whom transactions have taken place during the year and previous year are :

Nature	Name of the Company
Entities exercising significant influence over the Company	Vindhya Telelinks Ltd.
	August Agents Ltd.
	Insilco Agents Ltd.
	Laneseda Agents Ltd.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Nature	Name of the Company
Associates	Birla Readymix Private Limited (Under Voluntary Winding Up)
	Birla Odessa Industries Private Limited (Under Voluntary Winding Up)

Nature	Name	Designation
Key Management Personnels	Mr. Harsh V.Lodha	Chairman
	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor
	Mr. Vikram Swarup	Director
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	

Nature	Name of the Company
Post Employment Benefit Plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M. P. Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla DLW Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund

59.3 Transactions during the year

Particulars	2017-18					2016–17				
	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Management Personnel	Post Employment Benefit Plan Trust	Subsidiaries	Associates	Entities exercising significant influence over the Company	Key Manage-ment Personnel	Post Employment Benefit Plan Trust
Sales of goods/services provided	6,872.17	–	–	–	–	557.74	–	3.83	–	–
Purchase of goods/ services received	6,064.10	–	64.60	–	–	2,101.38	–	56.27	–	–
Investment in Equity Shares	1,874.20	–	–	–	–	2,25,352.00	–	–	–	–
Investment in Preference Shares	–	–	–	–	–	10,000.00	–	–	–	–
Gain on restatement of investment(Mark to Market)	582.00	–	–	–	–	257.00	–	–	–	–
Payment of rent	8.64	–	–	–	–	8.64	–	–	–	–
Receipt of rent	0.02	–	6.00	–	–	0.02	–	6.00	–	–
Advances given	29.27	0.09	–	–	–	9,110.05	0.07	–	–	–
Advances recovered	71.67	–	–	–	–	9,053.50	–	–	–	–
Advances written off	–	0.26	–	–	–	–	–	–	–	–
Interest income	3.42	–	–	–	–	127.12	–	–	–	–
Provision for doubtful advances	–	–	–	–	–	3.21	–	–	–	–
Paid to Trust-Employees Provident Fund Contribution	–	–	–	–	565.80	–	–	–	–	563.56
Paid to Trust-Employees Gratuity Fund Contribution	–	–	–	–	1,000.02	–	–	–	–	1,500.00
Paid to Trust-Employees Superannuation Fund Contribution	–	–	–	–	348.81	–	–	–	–	354.18
Remuneration, Perquisites & Others (Refer Note No. 59.3.1)	–	–	–	600.25	–	–	–	–	584.08	–
Corporate Guarantee Released	21,876.18	–	–	–	–	–	–	–	–	–
Corporate Guarantee Issued	–	–	–	–	–	62,546.90	–	–	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

59.3.1 Key Management Personnel compensation

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Short-Term Employee Benefits	486.71	474.48
Post-Employment Benefits	50.62	31.79
Long-Term Employee Benefits	10.92	9.81
Director's sitting fees	52.00	68.00
Total Compensation	**600.25**	**584.08**

59.4 Balance Outstanding as at the balance sheet date

Particulars	31st March, 2018	31st March, 2017
Trade Payables		
Subsidiaries	–	984.14
Entities exercising significant influence over the Company	2.68	37.14
Provision for Employees benefit		
Post employment benefit plan Trust	229.43	242.52
Trade Receivables		
Subsidiaries	2,855.94	3.66
Other Receivables		
Subsidiaries	23.67	494.44
Entities exercising significant influence over the Company	0.59	–
Advances Given		
Subsidiaries	272.99	312.30
Associates	–	0.17
Corporate Guarantee Outstanding		
Subsidiaries	40,670.72	62,546.90
Provision for Doubtful Advances		
Subsidiaries	7.30	7.30
Short-term employee benefits		
Key Management Personnel	61.32	87.28

59.5 **Terms and Conditions of transactions with Related Parties :**

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances as well as Corporate Guarantee issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Company has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

60. Previous year figures have been regrouped/rearrange/reclassified wherever necessary. Material regrouping/reclassification are as follows :

Balance Sheet

Particulars	Current Year	Last Year	Amount	Reason for the regrouping/reclassification
Incentive and Subsidy Receivable (Net)	Other Financial Asset	Other Current Assets	18,296.07	Reclassification has been done in pursuance of clarification vide ITFG clarification Bulletin 15 issuesd by The Institute of Chartered Accountants of India during the year.

As per our Report annexed
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata,
Date :16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

HARSH V. LODHA
Chairman
(DIN : 00394094)

B. R. NAHAR
Managing Director
(DIN : 00049895)

Salient Features of the financial statement of subsidiaries/ associate companies
Part "A": Subsidiaries

(₹ in lacs)

Sl. No.	Name of the Subsidiary	Reliance Cement Company Pvt. Ltd.	Birla Jute Supply Co. Limited	Talavadi Cements Ltd	Lok Cements Ltd	Budge Budge Floor Covering Limited	Birla Cement (Assam) Ltd	MP Birla Group Services Pvt. Ltd.
1.	Share Capital	31,282.30	6.00	600.00	100.07	400.00	5.00	2.00
2.	Reserve & Surplus	2,10,716.78	120.81	283.21	(334.60)	(209.95)	(1.81)	(1.43)
3.	Total Assets	5,81,776.37	134.87	934.33	32.61	212.20	3.26	0.64
4.	Total Liabilities	3,39,777.29	8.06	51.12	267.14	22.16	0.07	0.07
5.	Investments	–	–	82.11	–	13.31	–	–
6.	Turnover	2,00,252.80	–	–	–	8.64	–	–
7.	Profit before Taxation	5,917.24	5.26	24.86	(8.06)	(8.92)	(0.10)	(0.14)
8.	Provision for Taxation	2,335.02	1.36	(2.25)	–	(5.67)	–	–
9.	Profit After Taxation	3,582.22	3.90	27.10	(8.06)	(3.26)	(0.10)	(0.14)
10.	Proposed Dividend	–	–	–	–	–	–	–
11.	% of Shareholding	100.00%	100.00%	98.01%	100.00%	100.00%	100.00%	100.00%

Note : 1. None of the subsidiaries have reporting period different from the holding company.

2. None of the above mentioned subsidiaries are foreign subsidiaries.

3. a) Subsidiaries which are yet to commence operations :
   i. Lok Cements Limited.
   ii. Birla Cements (Assam) Limited.
   iii. M P Birla Group Services Pvt. Limited.

   b) Subsidiaries which have been liquidated or sold during the year : NIL

Part "B": Associates

	Name of the Associates	Birla Readymix Private Limited	Birla Odessa Industries Private Limited
1.	Latest audited Balance Sheet Date	23rd May, 2017	23rd May, 2017
2.	Shares of Associate held by the company on the year end		
	a. Number of Shares	5000	4910
	b. Amount of Investment in Associates	0.50	0.49
	c. Extend of Holding %	46.73%	48.61%
3.	Reasons why the associate is not considered	The Company is under voluntarily winding up.	The Company is under voluntarily winding up.
4.	Networth attributable to Shareholding as per latest audited Balance Sheet	(31.77)	(5.40)
5.	Profit/ Loss for the year		
	i. Considered in consolidation	NA	NA
	ii. Not considered in Consolidation	*	*

* **Figures are below rounding off limit.**

i Both the associates are yet to commence operations.

ii Both the associates are under voluntarily winding up during the year.

iii Significant influence is demonstrated by holding 20% or more of the voting power of the investees.

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

Kolkata, the 16th day of May, 2018

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To The Members of **BIRLA CORPORATION LIMITED**

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of BIRLA CORPORATION LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2018 and the consolidated Statement of Profit & Loss (including Other Comprehensive Income) and the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and the consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules made thereunder. The respective board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters Paragraph below, other than the unaudited financial statements as certified by the Management and referred to in sub-paragraph (b) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS

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 including Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2018, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

OTHER MATTERS

(a) We did not audit the financial statements of six subsidiaries whose financial statements reflect the total assets of Rs. 1,317.92 lakh as at 31st March, 2018, total revenues of Rs. 76.44 lakh and net cash flow amounting of Rs. 35.46 lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The consolidated Ind AS financial statements does not include the two associate companies which are under voluntary winding up under the provision of the Companies Act, 2013. In our opinion and according to the information and explanation given to us by the Management, these financial statements are not material to the Group.

(c) The comparative financial information of the Group for the year ended 31st March, 2017 included in these Consolidated Ind AS financial statements, is based on the Consolidated Ind AS financial statement for the year ended 31st March, 2017 which were audited by the predecessor auditor who had expressed an unmodified opinion.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the our reliance on the work done and the reports of the other auditors and explanation provided by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1 As required by section 143(3) of the Act, we report to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so for as it appears from our examination of those books and the reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;

e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of Statutory Auditors of its subsidiary companies, none of the Directors of the Group Companies, is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditor's report of the Holding Company and a Subsidiary Companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on financial statements of the subsidiaries:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41.1 to 41.6 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and its subsidiary Companies.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282

Place : KOLKATA
Date : 16th May, 2018

ANNEXURE-A REFERRED TO IN THE INDEPENDENT AUDITORS' REPORT to the Members of Birla Corporation Limited on the Consolidated accounts for the year ended 31st March, 2018.

We have audited the internal financial controls over financial reporting of BIRLA CORPORATION LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), as of 31st March, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies all incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting(the "Guidance Note") issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit and those conducted by other auditors. We and other auditors conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. Those Standards and the Guidance Note require that ourselves and other auditors(We) comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

The audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. The audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal

financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal finance controls over financial reporting in so far as it relates to six subsidiary companies is based on the corresponding reports of the other auditors of the subsidiary companies Our opinion is not qualified in respect of this matter.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282

Place : KOLKATA
Date : 16th May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in lacs)

	Note No.	As at 31st March, 2018		As at 31st March, 2017	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	6	6,37,262.12		5,42,365.34	
Capital Work-In-Progress	6	75,993.77		80,341.96	
Investment Property	7	17.84		18.34	
Goodwill on Consolidation		15.28		15.28	
Intangible Assets	8	99,489.54		93,816.90	
Intangible Assets under Development	8	235.88		192.46	
Biological Assets other than Bearer Plants	9	92.27	**8,13,106.70**	82.02	**7,16,832.30**
Financial Assets					
Investments	10	25,844.85		22,887.28	
Loans	11	36.13		47.44	
Other Financial Assets	12	9,293.48		7,824.96	
Non-Current Tax Asset (Net)		3,706.42		5,611.77	
Other Non-Current Assets	13	10,101.27	**48,982.15**	7,093.85	**43,465.30**
CURRENT ASSETS					
Inventories	14	68,696.46		63,017.69	
Financial Assets					
Investments	15	41,370.21		33,530.03	
Trade Receivables	16	19,144.80		13,252.64	
Cash and Cash Equivalents	17	10,787.78		8,830.15	
Bank Balances other than Note 17	18	11,193.60		22,416.84	
Loans	11	135.24		154.42	
Other Financial Assets	12	61,178.91		44,229.39	
Current Tax Asset (Net)		5,334.87		–	
Other Current Assets	13	27,521.34		23,924.75	
Non-Current Assets classified as Held for Sale	19	41.94	**2,45,405.15**	128.12	**2,09,484.03**
Total Assets			**11,07,494.00**		**9,69,781.63**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	20	7,700.89		7,700.89	
Other Equity	21	4,20,280.80	**4,27,981.69**	3,20,923.76	**3,28,624.65**
Non-Controlling Interest			**3.30**		**2.76**
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	22	3,82,976.39		4,04,907.54	
Other Financial Liabilities	23	41,002.80		31,686.04	
Provisions	24	3,825.49		3,755.17	
Deferred Tax Liabilities (Net)	25	74,521.59		56,447.52	
Non-Current Tax Liabilities (Net)		56.13		763.76	
Other Non-Current Liabilities	26	18,250.08	**5,20,632.48**	19,178.46	**5,16,738.49**
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	27	6,529.92		2,138.58	
Trade Payables	28	49,652.17		36,786.28	
Other Financial Liabilities	23	74,343.67		62,260.05	
Other Current Liabilities	26	26,841.72		20,289.43	
Provisions	24	1,093.94		1,755.51	
Current Tax Liabilities (Net)		415.11	**1,58,876.53**	1,185.88	**1,24,415.73**
Total Equity and Liabilities			**11,07,494.00**		**9,69,781.63**
Basis of Accounting	2				
Basis of Consolidation	3				
Significant Accounting Policies	4				
Significant Judgements and Key Estimates	5				

The notes are an integral part of the Consolidated Financial Statements

As per our Report annexed.
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata, 16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

HARSH V. LODHA
Chairman
(DIN : 00394094)

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
INCOME	**29**	5,94,311.34	4,98,121.97
Revenue from Operations	**30**	7,548.99	14,586.72
Other Income		**6,01,860.33**	**5,12,708.69**
Total Income			
EXPENSES			
Cost of Materials Consumed	**31**	79,236.03	66,455.32
Purchases of Stock-in-Trade	**32**	45.48	-
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	**33**	4,636.24	1,443.46
Excise Duty		20,895.55	63,355.32
Employee Benefits Expense	**34**	35,733.41	30,625.52
Finance Costs	**35**	37,763.87	27,678.54
Depreciation and Amortisation Expense	**36**	33,216.11	25,550.31
Other Expenses	**37**	3,73,101.58	2,73,888.55
Total Expenses		**5,84,628.27**	**4,88,997.02**
Profit before Exceptional Items and Tax		**17,232.06**	**23,711.67**
Exceptional Items	**38**	1,247.93	682.14
Profit before Tax		**15,984.13**	**23,029.53**
Tax Expense :	**39**		
Current Tax		2,738.83	1,293.85
Deferred Tax		(69.10)	(211.47)
Income Tax for earlier years		(2,080.98)	–
		588.75	1,082.38
Profit for the year before share in profit of associates and non-controlling interest		**15,395.38**	**21,947.15**
Less:Share of Profit/(Loss) of Associates (Net of Tax Expenses)		**–**	**–**
Profit for the year		**15,395.38**	**21,947.15**
Profit attributable to:			
Owners of the Parent		**15,394.84**	**21,946.36**
Non-controlling Interest		**0.54**	**0.79**
Other Comprehensive Income :	**40**		
A Items that will not be reclassified to profit or loss		1,09,276.15	9,489.80
Income tax relating to these Item		(19,882.71)	(2,010.67)
		89,393.44	7,479.13
B. Items that will be reclassified to profit or loss		(63.91)	112.04
Income tax relating to these items		22.33	(38.32)
		(41.58)	73.72
Other Comprehensive Income for the year (Net of Tax)		**89,351.86**	**7,552.85**
Other Comprehensive Income attributable to:			
Owners of the Parent		**89,351.86**	**7,552.85**
Non-controlling Interest		**–**	**–**
Total Comprehensive Income for the period		**1,04,747.24**	**29,500.00**
Total Comprehensive Income attributable to:			
Owners of the Parent		**1,04,746.70**	**29,499.21**
Non-controlling Interest		**0.54**	**0.79**
Earnings Per Equity Share (of ₹ 10/- each)		**19.99**	**28.50**
Basic & Diluted (₹)			
Basis of Accounting	**2**		
Basis of Consolidation	**3**		
Significant Accounting Policies	**4**		
Significant Judgements and Key Estimates	**5**		

The notes are an integral part of the Consolidated Financial Statements

As per our Report annexed.
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S. BALACHANDRAN
Partner
Membership No. 024282
Kolkata, 16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

HARSH V. LODHA
Chairman
(DIN : 00394094)

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
Cash Flow from Operating Activities:				
Profit after Exceptional Items & before Tax	15,984.13		23,029.53	
Adjustments for :				
Depreciation & Amortisation	33,216.11		25,550.31	
Investing Activities (Net)	(5,460.33)		(11,774.21)	
Provision for doubtful debts	32.81		100.44	
Bad bebts	4.59		–	
(Profit)/Loss on sale/ discard of Property, Plant and Equipment (Net)	(203.86)		52.16	
Profit on sale of Non Current Assets classified as held for sale	(50.82)		–	
Fair Valuation for Biological Assets other than bearer plants	(5.31)		3.74	
Amortisation of deferred revenue	(88.67)		41.71	
Excess Liabilities and unclaimed balances & Provision written back (Net)	(909.92)		(2,088.94)	
Excess Depreciation written back	(7.28)		(48.63)	
Effect of Foreign Exchange Fluctuations	533.77		(426.22)	
Loss on extinguishment of financial liabilities	387.69		–	
Finance Costs	37,763.87		27,678.54	
Operating Profit before Working Capital changes	**81,196.78**		**62,118.43**	
Adjustments for :				
(Increase)/ Decrease in Trade Receivables	(5,929.56)		(1,189.35)	
(Increase)/ Decrease in Inventories	(5,678.77)		6,314.93	
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	(21,846.32)		(16,089.38)	
Increase/ (Decrease) in Trade Payables & Other Liability	38,119.28		22,100.02	
Increase/ (Decrease) in Provisions	147.34		(476.54)	
Cash generated from operations	**86,008.75**		**72,778.11**	
Direct Taxes Paid	(5,522.86)		(5,052.53)	
Net Cash from Operating Activities		**80,485.89**		**67,725.58**
Cash Flow from Investing Activities:				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(27,920.88)		(20,652.62)	
Sale of Tangible Assets	384.30		245.84	
(Purchase)/Sale of Liquid Investments (Net)	(13,492.93)		1,10,077.73	
Purchase of other current Investments	(13,775.18)		(1,246.00)	
Sale of other current Investments	21,860.32		22,355.16	
Payment towards Investment in Subsidiary	(3,174.20)		(2,16,062.00)	
(Increase)/ Decrease in Other Bank Balances	11,223.24		3,921.49	
Loan (given)/ taken back from Related Parties	0.17		(0.07)	
Interest received	1,351.02		3,049.61	
Dividend received	101.62		155.06	
Net Cash used in Investing Activities		**(23,442.52)**		**(98,155.80)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

(₹ in lacs)

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	67,436.67		1,39,699.59	
Repayments of Long Term Borrowings	(85,186.47)		(62,810.75)	
(Repayments)/Proceeds from Short Term Borrowings (Net)	3,841.40		(15,867.49)	
Interest Paid	(35,584.46)		(27,435.06)	
Dividend Paid	(5,005.35)		(4,620.32)	
Corporate Dividend tax paid	(1,018.97)		(940.59)	
Net Cash used in Financing Activities		**(55,517.18)**		**28,025.38**
Net Increase in Cash and Cash Equivalents		**1,526.19**		**(2,404.84)**
Cash and Cash Equivalents (Opening Balance) (Refer Note No. b)		**8,830.15**		**11,234.99**
Cash and Cash Equivalents (Closing Balance)		**10,356.34**		**8,830.15**
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)		**10,787.78**		**8,830.15**
Overdraft Balance in Current Account shown under short term borrowing in Balance Sheet		(431.44)		–
Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance		**10,356.34**		**8,830.15**

Note :

(a) **Reconciliation of Liabilities arising from financing activities**

Financial Liability	Opening	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/other adjustments	Closing
Long Term Borrowings (Including current maturity)	4,23,355.34	67,436.67	85,186.47	279.83	630.61	4,06,515.98
Short Term Borrowings	2,138.58	83,087.62	78,814.78	118.50	–	6,529.92

b) Includes Nil (Previous year ₹ 538.27 Lacs) on account of Business Combination.

c) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

d) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 4.2.

e) Figures for the previous year have been re-grouped wherever considered necessary.

f) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

g) The Notes are an integral part of Financial Statements.

As per our Report annexed.
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S.BALACHANDRAN
Partner
Membership No. 024282
Kolkata, 16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

HARSH V. LODHA
Chairman
(DIN : 00394094)

B. R. NAHAR
Managing Director
(DIN : 00049895)

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

a) Equity Share Capital (Refer Note No. 20)

Balance as at 1st April, 2016	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2017	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2018	**7,700.89**

b) Other Equity (Refer Note No. 21)

	Reserve & Surplus						Items of Other Comprehensive Income					
Particulars	**Capital Reserve**	**Capital Reserve on Consoli-dation**	**Debenture Redemp-tion Reserve**	**General Reserve**	**Foreign Currency Monetary Item Translation Difference Account**	**Retained Earnings**	**Debt instrument through Other Comprehensive Income**	**Equity instrument through Other Compre-hensive Income**	**Revaluation Surplus**	**Total attributable to the owners of the company**	**Attributable to Non controlling interest**	**Total**
Balance as at 1st April, 2017	**105.65**	**10,820.28**	**6,157.64**	**2,53,040.22**	**(633.67)**	**36,221.67**	**(12.81)**	**15,224.78**	**–**	**3,20,923.76**	**2.76**	**3,20,926.52**
Profit for the year	–	–	–	–	–	15,394.84	–	–	–	15,394.84	0.54	15,395.38
Mark to Market Gain/(Loss)	–	–	–	–	–	–	(63.91)	3,021.20	–	2,957.29	–	2,957.29
Reclassification of financial instruments from OCI to Retained Earnings	–	–	–	–	–	–	–	–	–	–	–	–
Remeasurement Gain/(Loss)	–	–	–	–	–	762.97	–	–	1,05,491.98	1,06,254.95	–	1,06,254.95
Impact of Tax	–	–	–	–	–	(265.42)	22.33	3,807.52	(23,424.81)	(19,860.38)	–	(19,860.38)
Profit for the year	–	–	–	–	–	–	–	–	–	–	–	–
Total Comprehensive Income	**–**	**–**	**–**	**–**	**–**	**15,892.39**	**(41.58)**	**6,828.72**	**82,067.17**	**1,04,746.70**	**0.54**	**1,04,747.24**
Final Dividends Paid	–	–	–	–	–	(5,005.35)	–	–	–	(5,005.35)	–	(5,005.35)
Dividend Distribution Tax on Final Dividend	–	–	–	–	–	(1,018.97)	–	–	–	(1,018.97)	–	(1,018.97)
Transfer to Debenture Redemption Reserve	–	–	2,142.04	–	–	(2,142.04)	–	–	–	–	–	–
Transfer to General Reserve	–	–	–	5,000.00	–	(5,000.00)	–	–	–	–	–	–
Associates Investment Adjustment	–	–	–	–	–	0.99	–	–	–	0.99	–	0.99
Exchange Gain/(Loss) during the year	–	–	–	–	95.67	–	–	–	–	95.67	–	95.67
Amortization during the year (Refer Note No. 37.2)	–	–	–	–	538.00	–	–	–	–	538.00	–	538.00
	–	**–**	**2,142.04**	**5,000.00**	**633.67**	**(13,165.37)**	**–**	**–**	**–**	**(5,389.66)**	**–**	**(5,389.66)**
Balance as at 31st March, 2018	**105.65**	**10,820.28**	**8,299.68**	**2,58,040.22**	**–**	**38,948.69**	**(54.39)**	**22,053.50**	**82,067.17**	**4,20,280.80**	**3.30**	**4,20,284.10**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018 (Contd.)

(₹ in lacs)

b) Other Equity

Particulars	Reserve & Surplus						Items of Other Comprehensive Income			Total attributable to the owners of the company	Attributable to Non controlling int	Total
	Capital Reserve	Capital Reserve on Consolidation	Debenture Redemption Reserve	General Reserve	Foreign Currency Monetary Item Translation Difference Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Revaluation Surplus			
Balance as at 1st April, 2016	**105.65**	**213.32**	**7,575.00**	**2,35,040.22**	**(2,181.20)**	**37,017.52**	**(86.53)**	**7,146.99**	**–**	**2,84,830.97**	**1.97**	**2,84,832.94**
Profit for the year	–	–	–	–	–	21,946.36	–	–	–	21,946.36	0.79	21,947.15
Mark to Market Gain/(Loss)	–	–	–	–	–	–	68.15	10,269.45	–	10,337.60	–	10,337.60
Reclassification of financial instruments from OCI to Retained Earnings	–	–	–	–	–	–	43.89	–	–	43.89	–	43.89
Remeasurement Gain/(Loss)	–	–	–	–	–	(779.65)	–	–	–	(779.65)	–	(779.65)
Impact of Tax	–	–	–	–	–	180.99	(38.32)	(2,191.66)	–	(2,048.99)	–	(2,048.99)
Profit for the year	–	–	–	–	–	–	–	–	–	–	–	–
Total Comprehensive Income	**–**	**–**	**–**	**–**	**–**	**21,347.70**	**73.72**	**8,077.79**	**–**	**29,499.21**	**0.79**	**29,500.00**
Final Dividends Paid	–	–	–	–	–	(4,620.32)	–	–	–	(4,620.32)	–	(4,620.32)
Dividend Distribution Tax on Final Dividend	–	–	–	–	–	(940.59)	–	–	–	(940.59)	–	(940.59)
Transfer to Debenture Redemption Reserve	–	–	1,582.64	–	–	(1,582.64)	–	–	–	–	–	–
Transfer to General Reserve	–	–	(3,000.00)	18,000.00	–	(15,000.00)	–	–	–	–	–	–
On account of Business Combination	–	12,481.16	–	–	–	–	–	–	–	12,481.16	–	12,481.16
Adjustment for additional consideration during the Measurement Period (Refer Note No. 57)	–	(1,874.20)	–	–	–	–	–	–	–	(1,874.20)	–	(1,874.20)
Exchange Gain/(Loss) during the year	–	–	–	–	(54.88)	–	–	–	–	(54.88)	–	(54.88)
Amortization during the year (Refer Note No. 37.2)	**–**	**–**	**–**	**–**	**1,602.41**	**–**	**–**	**–**	**–**	**1,602.41**	**–**	**1,602.41**
	–	**10,606.96**	**(1,417.36)**	**18,000.00**	**1,547.53**	**(22,143.55)**	**–**	**–**	**–**	**6,593.58**	**–**	**6,593.58**
Balance as at 31st March, 2017	**105.65**	**10,820.28**	**6,157.64**	**2,53,040.22**	**(633.67)**	**36,221.67**	**(12.81)**	**15,224.78**	**–**	**3,20,923.76**	**2.76**	**3,20,926.52**

The notes are an integral part of the Consolidated Financial Statements

As per our Report annexed.
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S.BALACHANDRAN
Partner
Membership No. 024282
Kolkata, 16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited (the Parent Company) is the flagship company of the M. P. Birla Group. The Parent Company is a Public Limited Listed Company domiciled and incorporated in India having its Registered Office at Kolkata, West Bengal, India. It was incorporated as per the provisions of Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Parent Company, its subsidiaries and associates together referred as "the Group". The Group is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Group for the year ended 31st March, 2018 have been approved by the Board of Directors in their meeting held on 16th May, 2018.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following :

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Biological assets – At fair value less cost to sell and
- Freehold land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR or ₹), which is also the Group's functional currency. All financial information presented in INR has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current vs Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

A liability is current when :

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March, 2018. The Group consolidates the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associates

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised capital reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in Statement of Profit and Loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4.1 **Inventories**

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise all costs of purchase, (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

4.2 **Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.However, for the purpose of Cash Flow Statement the same is net of outstanding bank overdrafts.

4.3 **Income Tax**

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit & Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

4.3.1. **Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

4.3.2. **Deferred Tax**

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e. tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- Deferred tax relating to items recognized outside the Statement of Profit & Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4.4 Property, Plant and Equipment

4.4.1. Recognition and Measurement :

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Group has opted revaluation model during the year(Refer Note No.6.2).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind AS-101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries, depreciation has been provided based on the useful life considered at 2-15 years.

- Depreciation and amortization on leasehold land is provided on straight line method over the period of lease.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

4.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any, which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

4.4.7. Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment losses. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

4.5 Leases

4.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the Group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

4.5.2. Group as lessor

- **Finance Lease**

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- **Operating Lease**

  Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.5.3. Group as Lessee

- **Finance Lease**

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

  If there is no reasonable certainty that the Group will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

- **Operating Lease**

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.6 Revenue Recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.
- The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

4.6.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

4.6.2. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.3. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

4.7 Employee Benefits

4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

4.7.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

4.7.3. Post Employment Benefits

The Group operates the following post employment schemes:

- **Defined Benefit Plans**

  The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

  The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation.

  Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

  Contributions to defined contribution plans such as provident fund etc. are charged to the statement of profit and loss as and when incurred. Such benefits are classified as defined contribution plans as the Group does not carry any further obligations, apart from the contributions made on monthly basis.

  Further in respect of certain employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot be lower than the statutory rate of interest notified by the government. The company has an obligation to make good the shortfall in the interest amount, if any. In view of the Group's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

4.7.4. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit & Loss immediately.

4.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

4.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).
- The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which is continued in accordance with Ind AS-101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

4.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

4.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.11.1 Financial Assets

- **Recognition and Initial Measurement:**

  All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement:**

  For purposes of subsequent measurement, financial assets are classified in four categories:

  - Measured at Amortized Cost;
  - Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
  - Measured at Fair Value Through Profit or Loss (FVTPL); and
  - Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

  Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

  - **Measured at Amortized Cost :** A debt instrument is measured at the amortized cost if both the following conditions are met:
    - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
    - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- **Measured at FVTOCI :** A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- **Measured at FVTPL :** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- **Equity Instruments measured at FVTOCI :** All equity investments in scope of Ind AS-109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- **Derecognition**

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS-109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.11.2 Financial Liabilities

- **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS-109 and the amount recognized less cumulative amortization.

- **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- **Offsetting financial instruments**

  Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

4.11.3. Derivative financial instruments :

The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

4.12 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.13 Provisions, Contingent Liabilities and Contingent Assets

4.13.1 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- **Restoration (including Mine closure), rehabilitation and decommissioning**

  It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred and are reviewed at each Balance Sheet date.

- **Onerous Contracts:**

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

4.13.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to Financial Statements.

4.13.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

4.14 Intangible Assets

4.14.1 **Recognition and Measurement**

4.14.1.1 **Mining Rights**

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

4.14.1.2 **Other Intangible Assets**

Software which is not an integral part of related hardware is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

4.14.1.3 **Intangible Assets acquired through Business Combination**

Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

4.14.2 **Subsequent Expenditure**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

4.14.3 **Amortization**

- Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- Supplier's Agreements are amortized over the period of five to twenty years.
- Useful life of Trademark is taken as indefinite.
- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

4.14.4 **Intangible Assets under Development**

Intangible Assets under development is stated at cost less accumulated impairment losses (if any). Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

4.15 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

4.16 Biological Assets

Biological assets are recognized when the entity controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

4.17 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

4.18 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

4.19 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4.20 Standards Issued/amended but not yet effective

The MCA has notified Companies (Indian Accounting Standards) (Amendment) Rules, 2018 to amend the following Ind-AS's. The amendment will come into force from accounting period commencing on or after 1st April, 2018 :

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

- Ind AS-115 Revenue from Contracts with Customers :

  The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information.

- Ind AS-21 The Effects of changes in Foreign Exchange Rates :

  The newly inserted Appendix B to Ind AS-21, "Foreign Currency Transactions and Advance Consideration" clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

  The Group intends to adopt these Standards when it becomes effective. The Group is in the process of assessing the possible impact of the above standards and will adopt the amendments on the required effective date.

5. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- Useful lives of depreciable/ amortisable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- Classification of Leases: The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- Restoration (including Mine closure), rehabilitation and decommissioning: Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- Provisions and Contingencies: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS)-37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- Impairment of Financial Assets: The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- Allowances for Doubtful Debts: The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- Fair value measurement of financial Instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

6. PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Year Ended 31st March, 2018

Particulars	Gross Carrying Amount								Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2017	Addition Through Business Combination	Additions	Transfer	Disposals	Revaluation	Other Adjust-ments	**As at 31st March, 2018**	As at 1st April, 2017	Charged during the year	Transfer	Deduc-tions	Other Adjust-ments	**As at 31st March, 2018**	
Leasehold Land	15,234.52	–	–	–	–	–	–	15,234.52	127.44	206.75	–	–	–	334.19	14,900.33
Freehold Land (Refer note 6.1 to 6.3)	93,185.80	–	1,013.66	–	–	1,05,491.98	–	1,99,691.44	394.18	678.78	–	–	–	1,072.96	1,98,618.48
Sub–Total	**1,08,420.32**	**–**	**1,013.66**	**–**	**–**	**1,05,491.98**	**–**	**2,14,925.96**	**521.62**	**885.53**	**–**	**–**	**–**	**1,407.15**	**2,13,518.81**
Buildings (Refer note 6.1)	59,782.94	–	1,920.81	–	38.85	–	(1.68)	61,663.22	2,444.66	2,463.19	–	3.97	–	4,903.88	56,759.34
Plant and Machinery	3,99,836.42	–	15,864.42	–	71.95	–	(101.20)	4,15,527.69	34,007.69	25,695.37	–	1.83	–	59,701.23	3,55,826.46
Furniture and Fittings	891.41	–	110.36	–	0.66	–	–	1,001.11	165.56	115.70	–	0.19	–	281.07	720.04
Vehicles	1,748.42	–	338.27	–	55.81	–	–	2,030.88	464.60	265.30	–	38.44	–	691.46	1,339.42
Office Equipments	1,754.52	–	580.62	–	5.51	–	–	2,329.63	685.94	410.63	–	1.93	–	1,094.64	1,234.99
Railway Sidings	8,698.82	–	269.54	–	0.27	–	5.55	8,973.64	477.44	633.14	–	–	–	1,110.58	7,863.06
Total	**5,81,132.85**	**–**	**20,097.68**	**–**	**173.05**	**1,05,491.98**	**(97.33)**	**7,06,452.13**	**38,767.51**	**30,468.86**	**–**	**46.36**	**–**	**69,190.01**	**6,37,262.12**
Capital Work–In–Progress	**80,341.96**	**–**	**9,182.72**	**13,591.52**	**–**	**–**	**60.61**	**75,993.77**	**–**	**–**	**–**	**–**	**–**	**–**	**75,993.77**

Year Ended 31st March, 2017

Particulars	Gross Carrying Amount								Accumulated Depreciation						Net Carrying Amount
	As at 1st April, 2016	Addition Through Business Combination	Additions	Transfer	Disposals	Revaluation	Other Adjust-ments	**As at 31st March, 2017**	As at 1st April, 2016	Charged during the year	Transfer	Deduc-tions	Other Adjust-ments	**As at 31st March, 2017**	
Leasehold Land	57.32	15,177.20	–	–	–	–	–	15,234.52	0.81	126.83	–	0.20	–	127.44	15,107.08
Freehold Land (Refer note 6.1 to 6.3)	8,398.81	84,288.85	498.14	–	–	–	–	93,185.80	–	394.18	–	–	–	394.18	92,791.62
Sub–Total	**8,456.13**	**99,466.05**	**498.14**	**–**	**–**	**–**	**–**	**1,08,420.32**	**0.81**	**521.01**	**–**	**0.20**	**–**	**521.62**	**1,07,898.70**
Buildings (Refer note 6.1)	18,056.77	39,598.52	2,070.59	–	11.91	–	68.97	59,782.94	684.19	1,761.40	–	0.93	–	2,444.66	57,338.28
Plant and Machinery	1,87,013.65	1,99,061.51	13,769.88	–	256.93	–	248.31	3,99,836.42	13,307.88	20,721.20	–	21.39	–	34,007.69	3,65,828.73
Furniture and Fittings	598.85	224.99	68.42	–	0.85	–	–	891.41	72.16	93.96	–	0.56	–	165.56	725.85
Vehicles	1,396.43	199.10	190.52	–	37.63	–	–	1,748.42	231.41	256.42	–	23.23	–	464.60	1,283.82
Office Equipments	1,205.10	341.39	211.84	–	4.31	–	0.50	1,754.52	342.69	344.54	–	1.29	–	685.94	1,068.58
Railway Sidings	1,026.54	5,496.47	2,174.90	–	–	–	0.91	8,698.82	89.21	388.23	–	–	–	477.44	8,221.38
Total	**2,17,753.47**	**3,44,388.03**	**18,984.29**	**–**	**311.63**	**–**	**318.69**	**5,81,132.85**	**14,728.35**	**24,086.76**	**–**	**47.60**	**–**	**38,767.51**	**5,42,365.34**
Capital Work–In–Progress	**6,336.69**	**72,827.57**	**9,394.44**	**8,196.24**	**–**	**–**	**(20.50)**	**80,341.96**	**–**	**–**	**–**	**–**	**–**	**–**	**80,341.96**

Notes :

6.1 Gross Carrying Amount includes ₹ 158.72 Lacs (Previous Year ₹ 8.85 Lacs) in Land and ₹ 700.31 Lacs (Previous Year ₹ 700.31 Lacs) in Building under Co-ownership basis and also ₹ 0.15 Lacs (Previous Year ₹ 0.15 Lacs) being value of investments in Shares of a Private Limited Company.

6.2 During the year, the Group has adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land has been revalued on the basis of valuation report made by independent valuers and effective date of the revaluation is 1st April, 2017. Carrying amount that would have been recognised had the freehold land been carried under the cost model is ₹ 94,199.46 Lacs (Previous Year ₹ 93,185.80 Lacs). The Revaluation Surplus of ₹ 1,05,491.98 Lacs has been recognised and presented under "Other Comprehensive Income".

6.3 The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the land. This valuation is based on valuations performed by an accredited independent valuers. Fair valuation is based on depreciated open market price method. The fair value measurement is categorized in level 2 fair value hierarchy.

6.4 Other Adjustments include adjustment on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognized under previous GAAP as described in note no. 37.2 to the financial statement. Accordingly, the amount decapitalised during the year with the Property, Plant and Equipment amounts to ₹ 97.91 Lacs (Previous Year decapitalised ₹ 1138.57 Lacs).

6.5 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 1181.27 Lacs (Previous Year ₹ 1138.08 Lacs) (Refer Note No. 35).

6.6 Refer note no. 44 for information on property, plant and equipment pledged as securities by the Group.

6.7 Refer note no. 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

7. INVESTMENT PROPERTY

(₹ in lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Gross Carrying Amount		
Opening gross carrying amount	19.09	9.45
Additions		
Disposals		
Other Adjustments	–	9.64
Closing gross carrying amount	**19.09**	**19.09**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.75	0.25
Depreciation charged during the year	0.50	0.50
Closing Accumulated Depreciation	**1.25**	**0.75**
Net Carrying Amount	**17.84**	**18.34**

7.1 The fair value of the Group's investment properties as at 31st March, 2017 and 31st March, 2018 are ₹ 2,240.48 Lacs and ₹ 2,407.40 Lacs respectively. The fair value has been arrived on the basis of valuation performed by an independent valuer, who is a specialist in valuing these types of investments properties, having appropriate qualifications and recent experience in the valuation of properties in relevant location.

7.2 The amounts recognized in Statement of Profit and Loss in relation to the investment properties:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Rental Income	13.68	13.68
Direct Operating Expenses in relation to		
Properties generating rental income	23.04	52.94

7.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

7.4 The Group has no restriction on the realisability of it's investment properties or the remittance of income and proceeds of disposal. There is no Contractual obligations to purchase, construct or development of Investment Property or for repairs, maintenance or enhancements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

8. INTANGIBLE ASSETS

(₹ in lacs)

Particulars	Year Ended 31st March 2018											
	Gross Carrying Amount						Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2017	Addition Through Business Combination	Additions	Disposals	Other Adjustments	As at 31st March 2018	As at 1st April 2017	Depreciation charged during the year	Deductions	Other Adjustments	As at 31st March 2018	
Computer Software	592.30	–	69.09	–	–	661.39	195.26	127.57	–	–	322.83	338.56
Supplier Agreement–Flyash	1,961.00	–	–	–	–	1,961.00	148.74	242.75	–	–	391.49	1,569.51
Trademark	19,826.00	–	–	–	–	19,826.00	–	–	–	–	–	19,826.00
Mining Rights	73,085.27	–	8,376.30	0.22	–	81,461.35	1,303.67	2,402.24	0.03	–	3,705.88	77,755.47
Total	**95,464.57**	**–**	**8,445.39**	**0.22**	**–**	**1,03,909.74**	**1,647.67**	**2,772.56**	**0.03**	**–**	**4,420.20**	**99,489.54**
Intangible Assets under development	**192.46**	**–**	**43.42**	**–**	**–**	**235.88**	**–**	**–**	**–**	**–**	**–**	**235.88**

Particulars	Year Ended 31st March 2017											
	Gross Carrying Amount						Accumulated Depreciation					Net Carrying Amount
	As at 1st April 2016	Addition Through Business Combination	Additions	Disposals	Other Adjustments	As at 31st March 2017	As at 1st April 2016	Depreciation charged during the year	Deductions	Other Adjustments	As at 31st March 2017	
Computer Software	189.73	139.05	263.52	–	–	592.30	135.23	60.03	–	–	195.26	397.04
Supplier Agreement–Flyash	–	1,961.00	–	–	–	1,961.00	–	148.74	–	–	148.74	1,812.26
Trademark	–	19,826.00	–	–	–	19,826.00	–	–	–	–	–	19,826.00
Mining Rights	223.23	72,862.11	–	0.07	–	73,085.27	11.82	1,291.85	–	–	1,303.67	71,781.60
Total	**412.96**	**94,788.16**	**263.52**	**0.07**	**–**	**95,464.57**	**147.05**	**1,500.62**	**–**	**–**	**1,647.67**	**93,816.90**
Intangible Assets under development	**–**	**–**	**192.46**	**–**	**–**	**192.46**	**–**	**–**	**–**	**–**	**–**	**192.46**

8.1 Refer note no. 44 for information on Intangible Assets pledged as securities by the Group.

8.2 Refer note no. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

9. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(₹ in lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening Balance	82.02	82.55
Additions/Acquisitions	5.29	4.60
Disposals	0.35	1.39
Fair Value Adjustments	5.31	(3.74)
Closing Balance	**92.27**	**82.02**

9.1 The Group owns bearer biological assets i.e., livestock from which milk is produced. The livestock is maintained by the parent company at Satna and Birlapur. The milk produced from the livestock are internally consumed and not sold commercially.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

10. NON-CURRENT INVESTMENTS

(₹ in lacs)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2018		As at 31st March, 2017	
				Qty	Amount	Qty	Amount
A.	**DEBT INSTRUMENTS AT AMORTISED COST**						
	Unquoted						
	National Savings Certificate	10.1	7,500	1	0.08	1	0.08
	National Savings Certificate	10.1	10,000	1	0.10	1	0.10
	Subtotal				**0.18**		**0.18**
	TOTAL (A)				**0.18**		**0.18**
B	**INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**						
	EQUITY INSTRUMENTS (FULLY PAID UP)						
	QUOTED						
	Century Textiles & Industries Ltd.		10	18,07,660	20,654.32	18,07,660	19,037.37
	Birla Cables Ltd.		10	53,88,515	3,281.60	53,88,515	2,112.30
	Universal Cables Ltd.	10.2	10	8,00,157	1,045.00	8,00,157	807.76
	Hindustan Media Ventures Ltd		10	4,440	9.78	4,440	12.60
	Rameshwara Jute Mills Ltd.	10.3	10	19,133	1.20	19,133	1.20
	Vindhya Telelinks Ltd.		10	100	1.05	100	0.65
	Birla Precision Technologies Ltd		2	2,121	0.15	2,121	0.10
	Zenith Birla (I) Ltd.		10	6,362	0.11	6,362	0.03
	Subtotal				**24,993.21**		**21,972.01**
	UNQUOTED	10.3					
	Birla Buildings Ltd.		10	24,000	2.47	24,000	2.47
	Neosym Industry Limited		10	52,000	1.19	52,000	1.19
	Lotus Court Ltd.		10	1	0.46	1	0.46
	Industry House Ltd.		10	600	0.40	600	0.40
	Eastern Economist Ltd.		10	400	0.40	400	0.40
	Woodlands Multispeciality Hospital Ltd.		10	520	0.05	520	0.05
	Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.01	10	0.01
	Elgin Mills Co. Ltd		10	2,250	0.14	2,250	0.14
	Bally Jute Mills Employees Consumers' Co-operative Stores Limited.		10	250	0.03	250	0.03
	Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.01	15	0.01
	Craig Jute Mills Ltd (₹150, Previous Year: ₹ 150)		3	50	0.00	50	0.00
	Ampsolar Farms Private Limited		10	2,600	0.26	-	-
	Subtotal				**5.42**		**5.16**
	Investment in Quoted Government Securities						
	6.90% GOI 2019		100	1,00,000	100.29	1,00,000	100.85
	Subtotal				**100.29**		**100.85**
	Investments In Quoted Bonds						
	9.70% IFCI Ltd. 2030		10,00,000	63	615.82	63	671.30
	9.55% IFCI Ltd. 2025		10,00,000	13	127.60	13	135.44
	Subtotal				**743.42**		**806.74**
	TOTAL (B)				**25,842.34**		**22,884.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2018		As at 31st March, 2017	
				Qty	Amount	Qty	Amount
C	**INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**						
	Investment In Preference Shares - Unquoted (Fully paid up)						
	Elgin Mills Co. Ltd. - 5% Preference Shares	10.3	10	100	0.01	100	0.01
	Subtotal				**0.01**		**0.01**
	Investments in Mutual Funds						
	UNQUOTED						
	UTI Master Share Unit Scheme - Dividend Plan - Payout			7,200	2.32	7,200	2.33
	Subtotal				**2.32**		**2.33**
	TOTAL (C)				**2.33**		**2.34**
	TOTAL				**25,844.85**		**22,887.28**
	Aggregate Book Vaue of Quoted Investments				**25,836.92**		**22,879.60**
	Aggregate Fair Value of Quoted Investments				**25,836.92**		**22,879.60**
	Aggregate amount of Unquoted Investments				**7.93**		**7.68**

Notes :

10.1 Deposited with Government Department as Security.

10.2 Shares of Universal Cables Ltd includes 98,157 (Previous Year: 98,157) number of additional shares alloted of which the dispatch of share certificates in physical form and credit in respective Demat account has not been done in view of order dated 18th November, 2015 passed by the Hon'ble High Court of Delhi. By said order, status quo has been directed to maintain with respect to 27,05,553 number of additional shares alloted under category 'C' of basis of allotment.

10.3 Fair Valuation not carried out as amounts are not significant.

11. LOANS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Loan & Advances to Related Parties	11.1 & 11.2				
Unsecured, considered good		-	-	-	0.17
Unsecured, considered doubtful		-	-	7.30	7.30
		-	-	7.30	7.47
Less: Provision for doubtful advances		-	-	7.30	7.30
		-	**-**	**-**	**0.17**
Other Loans and Advances					
Advance to Employees, unsecured, considered good		36.13	47.44	135.33	154.25
Less: Provision for doubtful advances		-	-	0.09	-
Total		**36.13**	**47.44**	**135.24**	**154.42**

11.1 No Loans are due from directors or other officers of the Group either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director of Group is a partner, a director or a member except as disclosed in note no. 11.2 given below.

11.2 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

Particulars	Refer Note No.	Balance Outstanding		Maximum Amount Outstanding	
		As at		For the year ended	
		31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
i. **Associate Companies**					
Birla Odessa Industries Private Limited	(ii)(a)	–	0.08	0.12	0.08
Birla Readymix Private Limited	(ii)(a)	–	0.09	0.14	0.09
ii. **Purpose for which the advance was provided**					
a. Advance given for working capital needs					
iii. **Group has not given any guarantee and for investment refer note no. 10 & 15.**					

12. OTHERS FINANCIAL ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Security Deposits					
Unsecured, considered good		4,166.24	4,452.90	860.61	–
		4,166.24	**4,452.90**	**860.61**	**–**
Incentive and Subsidy Receivable		4,472.32	2,523.20	60,075.39	43,361.40
Less : Provision		–	–	143.65	143.65
		4,472.32	**2,523.20**	**59,931.74**	**43,217.75**
Other Deposits and Advances					
Unsecured, considered good		180.27	216.44	69.85	542.93
Unsecured, considered doubtful		–	–	124.33	124.33
		180.27	216.44	194.18	667.26
Less: Provision for doubtful advances		–	–	124.33	124.33
		180.27	**216.44**	**69.85**	**542.93**
Deposits with Bank having maturity of more than one year from the balance sheet date	12.1	225.81	390.38	–	–
Interest accrued on deposits		12.30	5.50	260.50	451.40
Derivative Contracts		–	–	55.62	10.35
Amount paid under protest		236.54	236.54	–	–
Others		–	–	0.59	6.96
Total		**9,293.48**	**7,824.96**	**61,178.91**	**44,229.39**

12.1 Represents deposits marked lein in favour of Government Authorities.

12.2 No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any other receivable are due from firms or private companies in which any director of Group is a partner, a director or a member.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

13. OTHER ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Capital Advances		4,806.25	1,907.34	–	–
Advance against supply of Goods and Services		**–**	**–**	**20,683.95**	**15,989.02**
Prepaid Expenses		654.13	667.44	719.60	484.60
Balances with Government & Statutory Authorities		75.04	179.39	5,528.15	7,315.28
Amount paid under protest		3,573.95	3,359.53	–	–
Security Deposits					
Unsecured Considered Good		188.43	188.43	40.64	40.64
Other Advances (Including Balance with Gratuity Fund)		803.47	791.72	601.03	147.24
Less : Provision for Doubtful Advances		–	–	52.03	52.03
Total		**10,101.27**	**7,093.85**	**27,521.34**	**23,924.75**

No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. No other receivable are due from firms or private companies respectively in which any director of Group is a partner, a director or a member.

14. INVENTORIES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
(As valued and certified by the Management)	4.1		
Raw Materials	14.1	9,769.16	7,610.96
Work-In-Progress	14.1	10,765.71	13,543.48
Finished Goods	14.1	12,447.32	14,305.79
Stores and Spares	14.1	18,923.69	19,517.52
Fuel	14.1	14,985.37	6,858.13
Packing Materials		1,805.21	1,181.81
Total		**68,696.46**	**63,017.69**

14.1	The above includes goods-in-transit as under:		
	Raw Materials	222.87	–
	Work-In-Progress	403.58	–
	Finished Goods	1,166.84	384.80
	Stores and Spares etc.	103.93	534.23
	Fuel	1,746.24	–
	Total	**3,643.46**	**919.03**

14.1 Amount of write down of inventories carried at net realisable value and recognised as expenses : ₹ 131.34 Lacs (Previous Year ₹151.98 Lacs).

14.2 Refer Note no.44 for information on amount of inventories pledge as securities by the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

15. CURRENT INVESTMENTS

(₹ in lacs)

Particulars	Refer Note No.	As at 31st March, 2018		As at 31st March, 2017	
		Qty	Amount	Qty	Amount
INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS					
Investments in Mutual Funds					
QUOTED					
HDFC FMP 92D February 2018(1) - Direct Growth		2,50,00,000	2,518.30	–	–
ICICI Prudential FMP Series 82-103 D Plan O DP		1,00,00,000	1,005.94	–	–
Kotak FMP Series 218 Direct Growth		4,00,00,000	4,029.88	–	–
Reliance Fixed Horizon Fund Series - XXXVI - Series 4		2,50,00,000	2,520.27	–	–
Subtotal			**10,074.39**		**–**
UNQUOTED					
UTI Money Market Fund - Institutional Plan - Direct Plan Growth		1,11,609	2,176.08	–	–
Kotak Treasury Advantage Fund - Direct Plan Growth		75,68,458	2,136.62	1,56,46,745	4,124.34
Kotak Liquid - Direct Plan Growth		51,196	1,803.12	–	–
SBI Ultra Short Term Debt Fund - Direct Plan Growth	15.1	48,362	1,089.05	1,46,456	3,087.19
Tata Ultra Short Term Fund - Direct Plan Growth		1,23,994	3,294.52	1,23,994	3,076.98
Tata Money Market Fund - Direct Plan Growth		69,592	1,905.69	–	–
Kotak Corporate Bond Fund - Direct Plan Growth		45,452	1,058.13	–	–
IDFC Ultra Short Term Fund - Direct Plan Growth		1,11,53,370	2,765.68	1,11,53,370	2,582.32
L & T Ultra Short Term Fund - Direct Plan Growth		–	–	95,13,223	2,559.28
HDFC Short Term Opportunities Fund - Direct Plan Growth		–	–	1,14,63,365	2,074.93
IDFC Super Saver Income Fund Short Term Plan - Direct Plan Growth		–	–	59,88,862	2,055.29
ICICI Prudential Flexible Income - Direct Plan Growth		–	–	6,53,993	2,044.21
Invesco India Liquid Fund - Direct Plan Growth		96,755	2,314.43	–	–
Reliance Medium Term Fund - Direct Plan Growth		–	–	46,76,548	1,622.28
HDFC Cash Management Plan Treasury Advantage - Direct Plan Growth		–	–	43,68,623	1,547.68
DSP BlackRock Ultra Short Term Fund - Direct Plan Growth		–	–	2,76,76,000	3,295.58
HDFC Liquid Fund - Direct Plan Growth			–	43,722	1,403.00
DSP BlackRock Liquidity Fund - Direct Plan Growth		81,054	2,014.45	–	–
SBI Premier Liquid Fund - Direct Plan Growth	15.2	73,559	2,004.02	43,406	1,107.86
L & T Cash Fund - Direct Plan Growth		–	–	77,152	1,010.60
L & T Liquid Fund - Direct Plan Growth		85,645	2,040.82	28,931	645.15
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		33,709	1,429.25	10,085	400.12
ICICI Prudential Money Market Fund - Direct Plan Growth		8,95,645	2,152.45	1,87,464	421.83
Axis Liquid Fund - Direct Growth		1,03,938	2,003.43	22,189	400.11
Axis Banking & PSU Debt Fund - Direct Growth		63,994	1,035.98	–	–
Reliance Money Manager Fund - Direct Growth Plan - Growth Option		1,258	30.68	1,258	28.64
ICICI Ultra Short Term Plan Direct Growth		1,53,685	28.11	1,53,685	26.30
Reliance Money Manager Fund - Retail Option - Growth Plan		476	10.99	476	10.34
Reliance Liquid Fund - Treasury Plan - Growth Plan		55	2.32	161	6.00
Subtotal			**31,295.82**		**33,530.03**
TOTAL			**41,370.21**		**33,530.03**
TOTAL			**41,370.21**		**33,530.03**
Aggregate Book value of Quoted Investments			**10,074.39**		**–**
Aggregate Fair Value of Quoted Investments			**10,074.39**		**–**
Aggregate amount of Unquoted Investments			**31,295.82**		**33,530.03**
Aggregate amount of impairment in value of investments					

15.1 Out of the same 45,930 units (Previous year: NIL) are held as margin in favour of State Bank of India against bank guarantee.

15.2 Out of the same Nil (Previous year: 23,810.690 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

16. TRADE RECEIVABLES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables	16.1 & 16.2	20,825.57	14,927.32
Less: Provision for doubtful receivables		1,680.77	1,674.68
Total		**19,144.80**	**13,252.64**
Break Up of Security Details			
Secured, considered good		8,924.94	8,059.91
Unsecured, considered good		10,219.86	5,192.73
Doubtful		1,680.77	1,674.68
Total		**20,825.57**	**14,927.32**
Less: Provision for doubtful receivables		1,680.77	1,674.68
Total		**19,144.80**	**13,252.64**

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

16.2 No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director of Group is a partner, a director or a member.

17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Balances With Banks :			
In Current/Cash Credit Account		5,611.55	3,849.41
In Deposit Accounts with Original Maturity of less than three months		3,110.00	2,665.00
Cheques/drafts on Hand		2,042.81	2,297.47
Cash in Hand		23.42	18.27
Total		**10,787.78**	**8,830.15**

18. BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account		140.01	134.46
Balances with Bank held as margin money/ security		-	278.10
Other Fixed Deposit with Banks	18.1	11,053.59	22,004.28
Total		**11,193.60**	**22,416.84**
18.1 Includes deposits marked lien in favour of Govt. Authorities		**18.02**	**12.66**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

19. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Plant & Machinery	19.1	41.94	128.12
Total		**41.94**	**128.12**

19.1 Suspension of Operations was declared of the parent Company's Unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the parent Company on 4th November, 2015 for disposal of assets of the Unit. Due to adverse market prices of M S Steel during the year, the Plant & Machinery could not be disposed off in full. However, major portions of Plant & Machinery were disposed off in the year 2017-18. Currently, there are several interested buyers and it is expected that sale will be completed by December, 2018. The assets of the Unit comprising remaining plant & machineries is presented within total assets of the "unallocated corporate assets" under Segment Reporting.

Non recurring fair value measurements

The fair value value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures refer note no 54. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

20. EQUITY SHARE CAPITAL

Particulars	Refer Note No.	As at 31st March, 2018		As at 31st March, 2017	
		No. of Shares	Amount	No. of Shares	Amount
20.1 **Authorised Share Capital**					
Ordinary Shares of ₹10/- each		9,00,00,000	9,000.00	9,00,00,000	9,000.00
Preference Shares of ₹100/- each		10,00,000	1,000.00	10,00,000	1,000.00
Total		**9,10,00,000**	**10,000.00**	**9,10,00,000**	**10,000.00**
20.2 **Issued Share Capital**					
Ordinary Shares of ₹10/- each		7,70,13,416	7,701.34	7,70,13,416	7,701.34
Total		**7,70,13,416**	**7,701.34**	**7,70,13,416**	**7,701.34**
20.3 **Subscribed and Paid-up Share Capital**					
Ordinary Shares of ₹10/- each fully paid-up		7,70,05,347	7,700.53	7,70,05,347	7,700.53
Add: Forfeited Ordinary Shares (Amount originally paid-up)		–	0.36	–	0.36
Total		**7,70,05,347**	**7,700.89**	**7,70,05,347**	**7,700.89**

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares :

The Parent Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the group after payment of all preferential amounts, in proportion to their shareholding.

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Parent Company does not have any Holding Company or Ultimate Holding Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

20.7 Details of Equity Shareholders holding more than 5% shares in the group

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Reliance Capital Trustee Co. Ltd.	41,62,918	5.41	49,25,585	6.40
(Shares held in their various scheme)				

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Parent Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Parent Company during the year.

20.11 No calls are unpaid by any Director or Officer of the group during the year.

21 OTHER EQUITY (Refer Statement of Change in Equity)

The Description of the nature and purpose of each reserve within equity is as follows:

a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.

b) **Debenture Redemption Reserve (DRR):** The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the Parent Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issues.

c) **General Reserve:** The general reserve is created out of retained earnings and use for appropriation purposes.

d) **Foreign Currency Monetary Item Translation Difference Account:** Foreign Currency Monetary Item Translation Difference Account represents the exchange differences arising on reporting of long -term foreign currency monetary items at rates different from those at which they were initially recorded or reported in previous financial statements in so far as they related to items other than acquisition of a depreciable capital assets in pursuance of option excercised by the Group under para 46A of Accounting standard 11 for all pre-existing long term foreign currency monetary items as at 31st March,2016.

e) **Retained Earnings:** Retained Earnings represents the undistributed profit of the Group.

22. LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Non-Convertible Debentures (NCD)	18.6				
(Face Value of ₹ 10,00,000/- each)					
2500 (Previous Year -2500) 9.25% NCD 2026		25,000.00	25,000.00	–	–
1500 (Previous Year -1500) 9.15% NCD 2021		15,000.00	15,000.00	–	–
1300 (Previous Year -1300) 9.05% NCD 2020		13,000.00	13,000.00	–	–
1500 (Previous Year - 1500) 9.10% NCD 2020		15,000.00	15,000.00	–	–
		68,000.00	**68,000.00**	**–**	**–**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Term Loans					
From Banks:					
Rupee Loans	22.1(b)	2,48,671.79	2,25,000.17	5,211.31	3,891.81
Foreign Currency Loans	22.1(c)	66,004.24	1,11,895.04	18,327.34	14,555.05
From Others:					
Rupee Loans		287.97	–	–	–
		3,14,964.00	3,36,895.21	23,538.65	18,446.86
Finance lease obligations	22.2	12.39	12.33	0.94	0.94
Total		**3,82,976.39**	**4,04,907.54**	**23,539.59**	**18,447.80**
Amount disclosed under the head "Other Financial Liability"	23	–	–	(23,539.59)	(18,447.80)
Total		**3,82,976.39**	**4,04,907.54**	**–**	**–**
Break Up of Security Details					
Secured		3,73,238.40	3,93,283.58	21,593.53	16,511.59
Unsecured		9,737.99	11,623.96	1,946.06	1,936.21
Total		**3,82,976.39**	**4,04,907.54**	**23,539.59**	**18,447.80**

22.1 **Terms and Conditions of Long Term Borrowings :**

		Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
a)	**Non-Convertible Debentures**			
	i) 9.25% NCD 2026	22.1 (e) (i)	25,000.00	25,000.00
	ii) 9.15% NCD 2021	22.1 (e) (ii)	15,000.00	15,000.00
	iii) 9.05% NCD 2020	22.1 (e) (iii)	13,000.00	13,000.00
	iv) 9.10% NCD 2020	22.1 (e) (iv)	15,000.00	15,000.00
b)	**Rupee Term Loan- From Banks- in Indian Rupees**	22.1 (f)	2,56,077.16	2,30,672.34
c)	**Foreign Currency Loan - From Banks - in Foreign Currency**	22.1 (g)	84,730.91	1,27,861.36
d)	**Rupee Term Loan - From Others - in Indian Rupees**	22.1 (h)	523.79	–

e) **Non-Convertible Debentures are redeemable fully at par as under :**

i) ₹ 25,000.00 Lacs, 9.25% NCD 2026 includes ₹ 6,000.00 Lacs repayable in August, 2024, ₹ 1,500.00 Lacs repayable in September, 2024, ₹ 6,000.00 Lacs repayable in August, 2025, ₹ 1,500.00 Lacs repayable in September, 2025, ₹ 8,000.00 Lacs repayable in August, 2026, ₹ 2,000.00 Lacs repayable in September, 2026.

ii) 9.15% NCD 2021 repayable in August, 2021.

iii) 9.05% NCD 2020 repayable in October, 2020.

iv) 9.10% NCD 2020 repayable in March, 2020.

The Debentures are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with other term lenders except Rupee Term Lenders.

f) **Rupee Loan from Banks :**

Term Loan ₹ 2,56,077.16, lacs (Rate of Interest MCLR 3M/6M/12M Plus spread of 0.00% to 0.90% p.a)

i) **₹ 60,000.00 Lacs are repayable as under.**

₹ 1,508.40 Lacs repayable in 6 equal quarterly installments from November/December, 2018 to February/March, 2020.
₹ 3,000.00 Lacs repayable in 2 equal quarterly installments from May/June, 2020 to August/September, 2020.
₹ 3,502.80 Lacs repayable in 2 equal quarterly installments from November/December, 2020 to February/March, 2021.
₹ 3,997.20 Lacs repayable in 2 equal quarterly installments from May/June, 2021 to August/September, 2021.
₹ 18,000.00 Lacs repayable in 8 equal quarterly installments from November/December, 2021 to August/September, 2023.
₹ 14,996.40 Lacs repayable in 6 equal quarterly installments from November/December, 2023 to February/March, 2025.
₹ 12,507.00 Lacs repayable in 5 equal quarterly installments from May/June, 2025 to May/June, 2026.
₹ 2,488.20 Lacs repayable in August/September, 2026.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

ii) **₹ 1,66,379.09 Lacs are repayable as under :**

₹ 4,508.51 Lacs repayable in 4 equal quarterly installments from June, 2018 to March, 2019.

₹ 1,5974.46 Lacs repayable in 8 equal quarterly installments from June, 2019 to March, 2021.

₹ 12,779.40 Lacs repayable in 4 equal quarterly installments from June, 2021 to March, 2022.

₹ 15,974.46 Lacs repayable in 4 equal quarterly installments from June, 2022 to March, 2023.

₹ 35,141.56 Lacs repayable in 8 equal quarterly installments from June, 2023 to March, 2025.

₹ 67,091.88 Lacs repayable in 14 quarterly installments from June, 2025 to September, 2028.

₹14,908.82Lacs repayable on December, 2028.

Rupee Term Loans are secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender bank (s) and second charge on entire current assets of the Company ranking pari passu with other lender bank (s).

iii) **₹ 29,000.00 Lacs are repayable as under :**

₹ 203.00 Lacs repayable in 2 equal quarterly installments from November, 2019 to February, 2020.

₹ 406.00 Lacs repayable in 2 equal quarterly installments from May, 2020 to August, 2020.

₹ 812.00 Lacs repayable in 2 equal quarterly installments from November, 2020 to February, 2021.

₹ 2,436.00 Lacs repayable in 4 iequal quarterly nstallments from May, 2021 to February, 2022.

₹ 4,872.00 Lacs repayable in 6 equal quarterly installments from June, 2023 to March, 2025.

₹ 2,001.00 Lacs repayable in 2 equal quarterly installments from November, 2023 to February, 2024.

₹ 1,8270.00 Lacs repayable in 18 equal quarterly installments from May, 2024 to August, 2028.

Rupee Term Loans is secured by way of subservient charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets of the Subsidiary Company except assets relating to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh.

iv) **₹ 698.07 Lacs are repayable as under :**

Company has drawn ₹ 698.07 Lacs (against sanctioned amount of ₹ 8,300.00 Lacs) and remaining amount will be drawn in subsequent year. The Rupee Term Loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar in Madhya Pradesh, ranking pari passu with other lender bank (s). The loan will be repayable in 40 equal quarterly installments of ₹ 200.00 Lacs each from March, 2019 to December, 2028 and balance ₹ 300.00 Lacs repayable on March, 2029.

g) **Foreign Currency Loans from Banks are repayable as under :-**

Term Loan ₹ 84,730.91 Lacs (Rate of Interest LIBOR 1M/3M/6M Plus spread of 140 bps to 452 bps).

i) ₹ 3,308.30 Lacs repayable in remaining five semi-annual installments from September, 2018 to September, 2020.

The above loan is secured by first charge on the movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Units at Chanderia (Rajasthan), ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

ii) ₹ 9,893.39 Lacs includes ₹ 4,073.75 Lacs repayable in September, 2018 and ₹ 5,819.64 Lacs repayable in September, 2019.

iii) ₹ 9,893.39 Lacs includes ₹ 4,073.75 Lacs repayable in September, 2018 and ₹ 5,819.64 Lacs repayable in September, 2019.

iv) ₹ 7,914.72 Lacs includes ₹ 3,259.00 Lacs repayable in September, 2018 and ₹ 4,655.72 Lacs repayable in September, 2019.

v) ₹ 26,072.00 Lacs repayable in 8 equal quarterly installments starting from October, 2019 to July, 2021.

The above loans are secured by first charge on the movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

vi) ₹ 8,938.95 Lacs repayable in remaining 16 equal quartely installments from June, 2018 to March, 2022.

The above loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar and Gondavali in Madhya Pradesh, Kundanganj in Uttar Pradesh, ranking pari passu with other lender banks (s) and second charge on entire current assets of the Maihar and Kundanganj ranking pari passu with other lender banks (s).

vii) ₹ 7,039.44 Lacs are repayable as under

₹ 635.50 Lacs repayable in 2 equal quarterly installments from June, 2018 to September, 2018.

₹ 782.16 Lacs repayable in 2 equal quarterly installments from December, 2018 to March, 2019.

₹ 1,319.90 Lacs repayable in 2 equal quarterly installments from June, 2019 to September, 2019.

₹ 1,662.09 lacs repayable in 2 equal quarterly installments from December, 2019 to March, 2020.

₹ 2,639.79 Lacs repayable in 3 equal quarterly installments from June, 2020 to December, 2020.

The above loan is secured by way of of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar and Gondavali in Madhya Pradesh and Kundanganj in Uttar Pradesh ranking pari passu with other lender bank (s) and second charge on entire current assets of the Maihar and Kundanganj ranking pari passu with other lender banks (s).

viii) ₹ 11,670.72 Lacs repayable in remaining 12 semi-annual installments from September, 2018 to March, 2024.

h) **Rupee Loan from Other :**

Term Loan of ₹ 523.79 Lacs from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.

i) ₹ 523.79 Lacs includes, ₹ 282.02 Lacs repayable in January, 2025 and ₹ 241.77 Lacs repayable in March, 2025.

The above loan is secured by Bank Guarantees.

22.2 **Finance lease obligations**

The Parent company has entered into various finance lease arrangements mainly for land for terms ranging up to 99 years. The legal title to these items vests with the respective lessors . There are no restrictions imposed by lease arrangements. There are no sub-lease arrangements entered in to by the Parent Company for these leases.
The Parent Company has finance lease contracts and the obligation under finance lease are secured by the lessor's title to the leased assets. Future minimum lease payments under finance lease contracts together with the present value of the net minimum lease payments are disclosed as below:

Particulars	31st March 2018		31st March 2017	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	1.08	0.94	1.08	0.94
After one year but not more than five years	5.28	3.77	5.28	3.77
More than five years	43.37	8.62	44.46	8.56
Total minimum lease payments	**49.73**	**13.33**	**50.82**	**13.27**
Less: Amounts representing finance charges	36.40	-	37.55	-
Present value of minimum lease payments	**13.33**	**13.33**	**13.27**	**13.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

23. OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Current maturities of Long Term Debt	22	-	-	23,538.65	18,446.86
Current maturities of Finance Lease Obligations	22	-	-	0.94	0.94
Trade & Security Deposits (Unsecured)		39,958.25	30,818.01	9.24	14.33
Interest accrued but not due on Borrowings		259.91	19.71	3,062.77	3,527.16
Unpaid and unclaimed dividends		-	-	140.01	134.46
Employees related Liabilities		-	-	3,090.27	2,620.65
Amount payable for Capital Goods		-	-	3,383.88	4,236.11
Forward Contract Payable				8.76	1,085.87
Liability under Litigation		2,755.63	2,723.63	-	-
Less: Paid under protest		1,970.99	1,875.31	-	-
Other Payables (Including rebates and discounts)		-	-	41,109.15	32,193.67
Total		**41,002.80**	**31,686.04**	**74,343.67**	**62,260.05**

24. PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		3427.06	3388.79	559.25	1254.93
Provision for Mines Restoration	24.1	398.43	366.38	534.69	500.58
		3,825.49	**3,755.17**	**1,093.94**	**1,755.51**

24.1 Movement of Provision :

Particulars	Non Current		Current	
	Provision for Mines Restoration		Provision for Mines Restoration	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Balance as at year beginning	366.38	-	500.58	506.17
Provision made during the year	32.05	366.38	34.11	-
Provision utilised during the year	-	-	-	5.59
Balance as at the year end	**398.43**	**366.38**	**534.69**	**500.58**

The Group has an obligation to restore the mines after extract of reserves. Therefore provision has been recognised for the estimated decomissioning and restoration cost in accordance with the mines closure plan.

25. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities		
Arising on account of :		
Depreciation and Amortisation	1,15,224.99	1,12,262.63
Revaluation Surplus	23,424.81	-
Retirements benefits and compensated absences	3.67	-
Mark to Market Gain on Investment	420.59	5,600.88
Others	231.21	387.39
	1,39,305.27	1,18,250.90
Less: Deferred Tax Assets		
Arising on account of :		
Mat Credit Entitlement	18,876.66	17,159.46
Items under Section 43B of Income-tax Act,1961	7,763.28	7,671.77
Carried forward Losses	36,457.26	35,642.04
Others	1,686.48	1,330.11
	64,783.68	61,803.38
Deferred Tax Liabilities (Net)	**74,521.59**	**56,447.52**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

25.1 **Movement in deferred tax assets and liabilities during the year ended 31st March, 2017 and 31st March, 2018**

Particulars	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2018
Deferred Tax Liabilities				
Depreciation and Amortisation	1,12,262.63	2,962.36	–	1,15,224.99
Mark to Market Gain on Investments	5,600.88	(1,350.44)	(3,829.85)	420.59
Retirements benefits and compensated absences	–	(261.75)	265.42	3.67
Revaluation Surplus	–	–	23,424.81	23,424.81
Others	387.39	(156.18)	–	231.21
	1,18,250.90	**1,193.98**	**19,860.38**	**1,39,305.27**
Deferred Tax Assets				
Mat Credit Entitlement	17,159.46	1,717.20	–	18,876.66
Unused Tax Credit	35,642.04	815.22	–	36,457.26
Items u/s 43B of Income Tax Act, 1961	7,671.77	91.51	–	7,763.28
Others	1,330.11	356.37	–	1,686.48
	61,803.38	2,980.30	–	64,783.68
Deferred Tax Liabilities (Net)	**56,447.52**	**(1,786.32)**	**19,860.38**	**74,521.59**

Particulars	As at 1st April, 2016	Addition on Business Combination	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2017
Deferred Income Tax Liabilities					
Depreciation and Amortisation	35,128.87	75,653.74	1,480.02	–	1,12,262.63
Mark to Market Gain on Investments	4,282.49	–	(911.59)	2,229.98	5,600.88
Others	333.91	358.90	(305.42)	–	387.39
	39,745.27	**76,012.64**	**263.01**	**2,229.98**	**1,18,250.90**
Deferred Income Tax Assets					
Mat Credit Entitlement	13,173.98	–	3,985.48	–	17,159.46
Unused Tax Credit	–	34,834.40	807.64	–	35,642.04
Items u/s 43B of Income Tax Act, 1961	6,411.87	914.06	345.84	–	7,671.77
Others	1,862.22	146.89	(679.00)	–	1,330.11
	21,448.07	**35,895.35**	**4,459.96**	**–**	**61,803.38**
Deferred Tax Liabilities (Net)	**18,297.20**	**40,117.29**	**(4,196.95)**	**2,229.98**	**56,447.52**

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

25.3 The Group has not recognized deferred tax assets of Nil (Previous year ₹ 21.17 Lacs) on long term capital losses and Unused tax credits of ₹ 6,357.73 Lacs (Previous year ₹ 4,687.73 Lacs) on account of prudence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

26. OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Liabilities under Litigation		36,469.53	38,053.29	-	-
Less : Paid under protest		19,119.02	19,470.24	-	-
		17,350.51	18,583.05	-	-
Advance received from Customers		-	-	10,598.12	12,053.12
Statutory Dues		-	-	15,115.15	7,160.35
Bonus Liability		-	-	1,011.03	1,044.78
Deferred Revenue	**26.1**	410.31	106.16	116.99	30.90
Others		489.26	489.25	0.43	0.28
Total		**18,250.08**	**19,178.46**	**26,841.72**	**20,289.43**

26.1 **Movement of Deferred Revenue**

Particulars	2017-18	2016-17
Opening Balace	137.06	178.77
Grants received during the year	478.91	-
Less: Released to the Statement of Profit & Loss	88.67	41.71
Closing Balance	**527.30**	**137.06**
Current portion	116.99	30.90
Non Current portion	**410.31**	**106.16**

27. SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Loans Repayable on Demand			
From Banks			
Rupee Loans		2745.42	1385.24
Other Loans			
From Banks			
Buyers' Credit and Packing Credit in Foreign Currency		2,284.50	-
Packing Credit in Indian Currency		1500.00	753.34
Total		**6,529.92**	**2,138.58**
The above amount includes			
Secured Borrowings	**27.1 & 27.2**	2745.42	1385.24
Unsecured Borrowings		3784.50	753.34
		6,529.92	**2,138.58**

27.1 Working Capital Loans of ₹ 745.42 Lacs (Previous year: ₹ 1,385.24 Lacs) from banks are secured by hypothecation of Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Book Debts, both present & future, and further by way of second charge on movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division.

27.2 Working Capital Loans of ₹2000.00 Lacs (Previous year ₹ Nil) from banks are secured on pari pasu basis by hyphothecation of Current Assets viz. Raw Material, Stock in trade, Consumable Stores and Book Debts, both Present & Future and further by way of second charge on movable and immovable fixed assets pertaining to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender banks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

28. TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Trade Payables for goods and services			
Total outstanding dues of creditor to micro enterprises and small enterprises	45	146.87	130.52
Total outstanding dues of creditor to other than micro enterprises and small enterprises		49,505.30	36,655.76
Total		**49,652.17**	**36,786.28**

29. REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Products (including Excise Duty)	29.1	5,72,651.46	4,81,836.94
Own Consumption	29.1	565.91	1,092.72
		5,73,217.37	**4,82,929.66**
Other Operating Revenues			
Incentives & Subsidies		19,950.27	14,086.68
Export Benefits		418.76	403.01
Insurance and Other Claims (Net)		162.93	149.26
Miscellaneous Sale		562.01	553.36
		21,093.97	**15,192.31**
Total		**5,94,311.34**	**4,98,121.97**

29.1 Sale of products including own consumption for the year are not comparable with previous year, since the same are net of Goods and Services Tax (GST) w.e.f. 1st July, 2017, whereas excise duty form part of sales in previous year. Sale of products including own consumption for the current year includes excise duty upto 30th June, 2017.

30. OTHER INCOME

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income		
On Investments	80.45	701.42
On Banks Deposits	1,086.47	2,094.75
On Income Tax Refund	1,760.11	-
On Other Deposits,etc	216.69	155.31
Dividend Income	101.62	155.06
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss	2,021.92	7,449.74
Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss	410.75	1,020.95
Net Gain/ (Loss) on OCI Items Reclassified to Statement of Profit & Loss	-	(43.89)
Other Non Operating Income		
Profit on sale/discard of Property, Plant and Equipment (Net)	203.86	(52.16)
Profit on revaluation of live stock	5.31	(3.74)
Profit on sale of Non Current Assets classified as held for sale	50.82	-
Excess Liabilities and Unclaimed Balances written back	909.92	2,088.94
Excess Provision written back	26.62	-
Net Gain or Loss on Foreign Currency Translation	-	421.20
Excess Depreciation written back	7.28	48.63
Insurance and Other Claims (Net)	403.50	131.44
Miscellaneous Income	263.67	419.07
Total	**7,548.99**	**14,586.72**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

31. COST OF MATERIALS CONSUMED

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Raw Material Consumed		79,236.03	66,455.32
Total		**79,236.03**	**66,455.32**

32. PURCHASE OF STOCK IN TRADE

Traded Goods - Jute Goods		45.48	–
Total		**45.48**	**–**

33. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods	**33.1**	14,305.79	15,023.65
Work-In-Progress		13,543.48	14,269.08
		27,849.27	29,292.73
Inventories at the end of the year			
Finished Goods	**33.1**	12,447.32	14,305.79
Work-In-Progress		10,765.71	13,543.48
		23,213.03	27,849.27
Change in Inventory		**4,636.24**	**1,443.46**

33.1 Including inventories accquired during the year through Business Combination :

Finished Goods	**33.1**	–	2,876.70
Work-In-Progress		–	2,734.60
		–	**5,611.30**

34. EMPLOYEE BENEFITS EXPENSE

Salaries & Wages		31,238.22	26,606.57
Contribution to Provident and Other Funds		3,305.36	3,021.01
Staff Welfare Expenses		1,190.12	1,001.40
		35,733.70	30,628.98
Less : Amount Capitalised		0.29	3.46
Total		**35,733.41**	**30,625.52**

35. FINANCE COST

Interest Expenses			
To Debenture Holders		6226.50	5682.61
" Banks on Term Loans, etc.		29004.03	19695.01
" Banks On Working Capital Loans		385.84	582.18
On Deposits and Others		2162.30	1844.16
Exchange Differences regarded as an adjustment to Borrowing Costs		720.45	200.59
Other Borrowing Costs			
Other Financial Charges		446.02	812.07
		38,945.14	28,816.62
Less : Amount Capitalised	**35.1**	1181.27	1138.08
Total		**37,763.87**	**27,678.54**

35.1 The capitalisation rate for the general borrowing is 6.35% p.a (previous year 8.62% p.a.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

36. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
On Tangible Assets		30,468.86	24,086.76
On Intangible Assets		2,772.56	1,500.62
On Investment Property		0.50	0.50
		33,241.92	**25,587.88**
Less: Transferred to Capital Work-in- Progress		25.81	37.57
Total		**33,216.11**	**25,550.31**

37. OTHER EXPENSES

Manufacturing Expenses			
Stores & Spare Parts Consumed		21,086.01	16,587.85
Packing Materials Consumed		21,200.48	18,014.94
Power & Fuel		1,31,314.14	96,843.34
Royalty & Cess		8,724.31	8,731.26
Repairs to Buildings		1,578.16	1,733.30
Repairs to Machinery		5,965.93	5,163.70
Freight & Material Handling on Inter Unit Transfer		25,675.44	18,383.39
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		(1,300.46)	(188.94)
Other Manufacturing Expenses		6,626.51	4,491.43
		2,20,870.52	**1,69,760.27**
Selling and Administration Expenses			
Brokerage & Commission on Sales		4217.71	2796.49
Transport & Forwarding Expenses		118633.66	80430.98
Insurance		639.51	466.99
Rent		2269.04	1896.35
Repairs to Other Assets		1688.62	1244.99
Rates & Taxes		1250.83	1445.50
Development Cess on Cement		–	21.20
Advertisement		5300.58	2897.78
Charity & Donation		–	51.25
Corporate Social Responsibility Expenses	**49**	424.12	383.91
Auditors' Remuneration	**37.1**	80.60	103.65
Net (Gain)/Loss on Foreign currency transaction and translation	**37.2**	1,769.70	1,873.76
Diminution in value of Non Current Investment		0.99	–
Net Provision for doubtful debts/advances		32.81	100.44
Bad Debts		4.59	–
Directors' Fees		87.00	85.10
Other Expenses		15831.30	10329.89
		1,52,231.06	1,04,128.28
Total		**3,73,101.58**	**2,73,888.55**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

37.1 **Auditors' Remuneration**

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a. Statutory Auditors			
Audit Fees		45.90	35.19
Tax Audit Fees		6.50	6.55
Limited Review		17.25	15.31
Travelling Expenses		6.44	3.83
Issue of Certificates		–	38.67
		76.09	**99.55**
b. Cost Auditors			
Audit Fees		4.00	3.92
Travelling Expenses		0.51	0.18
		4.51	4.10
Total		**80.60**	**103.65**

37.2 **Foreign Currency Transaction and Translation**

Net (Gain)/Loss on foreign currency transaction and translation		996.57	259.42
Less: Amount Capitalised/(Decapitalised)		(235.13)	(11.93)
Add: Amortisation of Foreign Currency Monetary Item Translation Difference Account		538.00	1,602.41
Total		**1,769.70**	**1,873.76**

38. EXCEPTIONAL ITEM

On account of demand for cost of Fly Ash	**38.1**	–	682.14
On account of Entry Tax Liability	**38.2**	1,247.93	–
		1,247.93	**682.14**

38.1 Towards provision made against demand received from Kota Thermal Power Station, Kota for Flyash lifted from 30th June, 2012 to 9th February, 2017 in terms of order dated 19th January, 2017 issued by the Hon'ble Supreme Court.

38.2 Entry Tax Liability under the West Bengal Tax on Entry of Goods into Local Areas Act, 2012 for the period 2012-13 to 2016-17.

39. TAX EXPENSE

Current Tax for the year	**40.1**	4,458.90	5,279.33
Less : MAT Credit Entitlement		1,720.07	3,985.48
Current Tax		2,738.83	1,293.85
Deferred Tax		(69.10)	(211.47)
		2,669.73	**1,082.38**
Income Tax for earlier years		(2,080.98)	–
Total		**588.75**	**1,082.38**

39.1 **Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income:**

Income before Income taxes		15,984.13	23,029.53
Indian Statutory Income tax Rate	**39.2**	34.608%	34.608%
Estimated Income tax expenses		**5,531.79**	**7,970.06**
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense:			
Income tax Adjusted with brought forward loss		(4.12)	(257.74)
Deduction under Chapter VIA		(2,319.69)	(6,350.17)
Tax payable at different rate		(283.58)	712.30
Deferred Tax/MAT Credit Entitlement		(2,469.66)	(1,976.16)
Mat credit entitlement not recognised		1,670.00	–
Others		544.99	984.10
		(2,862.05)	**(6,887.68)**
Income Tax expense in the Statement of Profit and Loss		**2,669.73**	**1,082.38**

39.2 Applicable Indian Statutory Income Tax rate for Fiscal Year 2018 & 2017 is 34.608%. However, Company is required to pay tax u/s 115JB of Income Tax Act 1961

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

40. OTHER COMPREHENSIVE INCOME

40.1 Items that will not be reclassified to profit or loss

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Remeasurement of the defined benefit plans		762.97	(779.65)
Less: Tax expense on the above		265.42	(180.99)
		497.55	**(598.66)**
Change in Revaluation Surplus		1,05,491.98	–
Less: Tax expense on the above		23,424.81	–
		82,067.17	**–**
Equity Instruments through Other Comprehensive Income		3,021.20	10,269.45
Less: Tax expense on the above		(3,807.52)	2,191.66
		6,828.72	**8,077.79**

40.2 Items that will be reclassified to profit or loss

Debt Instruments through Other Comprehensive Income		(63.91)	68.15
Less : Reclassified to Profit & Loss		–	(43.89)
		(63.91)	112.04
Less: Tax expense on the above		(22.33)	38.32
		(41.58)	**73.72**
		89,351.86	**7,552.85**

41. CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

41.1 Claims/Disputes/Demands not acknowledged as debts -

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
a	Demand notice for levying sales tax on packing material at the rate applicable on cement. Writ petition has been filed and the matter is pending before the Hon'ble High Court, Chandigarh.	161.07	161.07
b	Demand for Water Supply Charges under Rajasthan Irrigation & Drainage Act, 1954. Writ petition has been filed before the Hon'ble High Court, Rajasthan which has granted stay in the matter.	147.40	147.40
c	Additional U. P. Sales Tax demanded by enhancing the value of cement. The case has been decided by Tribunal in Company's favour. Department has filed revision petition before the Hon'ble High Court, Allahabad against order of the Tribunal. The High Court has remanded the case to UP Trade Tax Tribunal.	146.40	146.40
d	Demand for interest on delayed payment of Entry Tax raised by the U.P. Trade Tax Department, Allahabad. Writ petition has been filed before the Hon'ble High Court, Allahabad which has granted stay in the matter.	132.11	132.11
e	Cenvat Credit taken on Goods Transporting Agency service on the basis of TR-6 challan disallowed. Appeal filed before the Custom, Excise & Service Tax Appellate Tribunal, New Delhi which was allowed in company's favour. Department filed writ before the Hon'ble High Court, Rajasthan against CESTAT Order dated 23rd December, 2015. the Hon'ble High Court has rejected the department appeal and issue order dt. 18th January, 2018.	–	138.36
f	Stamp Duty for registration/execution of deed of certain Limestone Mining Lease. The petition will be decided by the Hon'ble High Court as directed by the Hon'ble Supreme Court.	1,042.80	1,840.67
g	Renewable Energy Surcharge on account of shortfall of energy purchase from renewable energy sources as per Rajasthan Electricity Regulatory Commission notification dt. 23rd March, 2007. The matter is pending before the Hon'ble High Court, Rajasthan.	1,726.67	1,726.67
h	Demand of penalty by Sub Divisional Officer, Raghuraj Nagar, for alleged impermissible mining in Village Naina. Writ Petition has been filed and stay has been granted by the Hon'ble M.P.High Court, Jabalpur.	1,160.00	1,160.00
i	Demand under Income Tax Act, 1961 for Assessment Year 2011-12, 2012-13, 2013-14 & 2014-15, the matter is pending before Commissioner of Income Tax (Appeals).	2,302.50	2,712.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
j	Demand by Commissioner, Central Excise, Jaipur disallowing CENVAT credit on item used in manufacturing of Thermal Power Plant, reply filed. The matter is pending before the Commissioner, Central Excise, Jaipur.	645.27	645.27
k	Demand for Entry Tax and Interest there on under U.P. VAT Act. Case is pending before the Hon'ble Supreme Court.	4,412.85	3,967.65
l	Demand of House Tax under Rajasthan Municipalities (Land and Building Tax) Rules, 1961 raised by Municipal Board, Chittorgarh for the period 1987 to 2006. The matter is pending before the Hon'ble High Court, Rajasthan.	251.73	251.73
m	Demand of Punjab VAT for the Assessment Year 2005-06. Writ Petition has been filed and the matter is pending before the Hon'ble Punjab & Haryana High Court.	112.31	112.31
n	Demand for Education cess by the Municipal Corporation, Satna. Appeal filed and pending before the Hon'ble M.P.High Court, Jabalpur.	209.74	185.34
o	Entry Tax as per The West Bengal Tax on Entry of Goods into Local Areas Act, 2012 on the entry of goods in the state of West Bengal, which has been settled and paid by the company during the year under the West Bengal Sales Tax (Settlement of dispute) Act,1999.	–	1,177.52
p	The Hon'ble High Court, Rajasthan, levied a compensation for alleged damage to the Chittorgarh Fort. Special Leave Petition has been filed before the the Hon'ble Supreme Court and stay has been granted in the matter.	450.00	450.00
q	Demand for Royalty on Limestone and interest thereon by Dy. Director, Mining Office, Satna. The matter is pending till the conclusion of audit conducted on the basis of guidelines issued by the Government of Madhya Pradesh.	6,790.62	6,790.62
r	Demand for Excise duty on Clinker captively consumed in Cement Production meant for supply to SEZ. The case has been decided by Commissioner, Appeal in Company's favour. Department has filed appeal with Custom Excise Service Tax Appellate Tribunal (CESTAT), New Delhi. The Custom Excise Service Tax Appellate Tribunal (CESTAT) has rejected the department appeal vide order no. A/57123/2017-EX (DB) dated 22nd September, 2017.	–	130.15
s	Demand for District Mineral Foundation Contribution on Royalty on Limestone and Coal. Writ petition has been filed before the Hon'ble Supreme Court and the case has been decided in favour of the Company during the year.	–	365.13
t	Demand for excise duty under Central Excise Act, 1985 leviable on branded Hessian Bags and Sacking Bags for the period from 1st March, 2011 to 28th February, 2013, which on appeal in the similar case, by other party, rejected by the Hon'ble Supreme Court during the year.	–	904.49
u	Demand for Transportation and Cargo Handling Expenses for the month December,2015 by a party as per their books of accounts.	42.92	42.92
v	Demand for entry tax including interest thereon raised for the period 2013-14, 2014-15 and 2015-16 in pursuance of reassessment proceeding initiated under Bihar Value Added Tax Act,2005.Writ petition has been filed before the Hon'ble High Court,Patna, which remanded back the case to the Office of the Joint Commissioner (Appeal)	8,289.91	–

41.2 Other Claims/Disputes/Demands (being less than ₹100.00 Lacs) pending in various legal forums for Sales Tax, Excise Duty & Service Tax, Rates & Taxes, E.S.I., Electricity Duty & Surcharge, Electricity Charges, Export Tax, Entry Tax including interest there on and other claims - ₹46.34 Lacs, ₹540.72 Lacs, ₹72.06 Lacs, ₹4.91 Lacs, ₹0.56 Lacs, NIL, ₹82.96 Lacs, ₹24.56 Lacs, ₹175.76 Lacs (Previous Year ₹46.34 Lacs, ₹336.12 Lacs, ₹72.06 Lacs, ₹4.91 Lacs, ₹0.56 Lacs, ₹59.49 Lacs, ₹82.96 Lacs, ₹52.75 Lacs and ₹170.03 Lacs) respectively.

41.3 Disputed amount of ₹68.61 Lacs [Paid under protest ₹68.61 Lacs] (Previous Year ₹68.61 Lacs[Paid under protest ₹68.61 Lacs]) in respect of difference of Fuel Cost Adjustment Charges, ₹463.60 Lacs [Paid under protest ₹19.77 Lacs] (Previous Year ₹463.60 Lacs [Paid under protest ₹19.77 Lacs]) in respect of demand of Water Supply Charges, ₹355.19 Lacs [Paid under protest ₹137.39 Lacs] (Previous Year ₹355.19 Lacs [Paid under protest ₹137.39 Lacs]) in respect of Surcharge on Electricity, ₹2,226.44 Lacs [Paid under protest ₹273.23 Lacs] (Previous Year ₹1,965.30 Lacs [Paid under protest ₹414.28 Lacs]) in respect of MODVAT/CENVAT claims, ₹3,500.97 Lacs [Paid under protest ₹1,810.33 Lacs] (Previous Year ₹3,290.13 Lacs [Paid under protest `1,707.32 Lacs]) in respect of Sales Tax/VAT, ₹400.24 Lacs [paid under protest ₹24.27 Lacs] (Previous Year ₹358.35 Lacs [paid under protest ₹24.62 Lacs]) in respect of Entry Tax, ₹193.01 Lacs [Paid under protest ₹30.64 Lacs] (Previous Year ₹192.17 Lacs [Paid under protest ₹30.19 Lacs]) in respect of Service Tax, ₹1,225.25 Lacs [Paid under protest ₹1,407.22 Lacs] (Previous Year ₹3,569.55 Lacs [Paid under protest ₹3,751.51 Lacs]) in respect of Income Tax, ₹4,360.10 Lacs [Paid under protest ₹286.07 Lacs] (Previous Year ₹3,868.22 Lacs [Paid under protest ₹272.36 Lacs]) in respect of Excise Duty , ₹29.08 Lacs [Paid under protest ₹10.76 Lacs] (Previous Year ₹29.08 Lacs [Paid under protest ₹10.76 Lacs]) in respect of Land Diversion Tax impose by SDO Raghuraj Nagar, ₹29.70 Lacs [Advance paid ₹29.70 Lacs] (Previous Year ₹29.70 Lacs [Advance paid ₹29.70 Lacs]) in respect of octroi, ₹208.20 Lacs [Paid under protest ₹15.62 Lacs] (Previous Year ₹208.20 Lacs [Paid under protest ₹15.62 Lacs]) in respect of custom duty and NIL [Paid under protest NIL] (Previous Year ₹2.41 Lacs [Paid under protest ₹2.41 Lacs]) in respect of other claims, which have not been provided for, as the matters are subjudice.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

41.4 An Appeal has been filed by Budge Budge Floorcoverings Ltd, a subsidiary, before The Division Bench of the Hon'ble Calcutta High Court, for award against the Company in respect of Suspension of Work and settlement of charter of demand made by the workers. The Division Bench of the Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage.

41.5 In respect of the matters in note no. 41.1 to 41.4, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibilities of any reimbursements to be made to the company from any third party.

41.6 **Other Contingent Liabilities**

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
a.	Bills discounted with Banks remaining outstanding	481.85	488.02
b.	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance Licence Scheme.	115.48	108.56

41.7 **Contingent Assets**

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
a.	Insurance claims lodged but not settled.	422.00	53.55
b.	Claim under West Bengal Vat Act, 2003 for the year 2010-11 & 2013-14 and Central Sales Tax Act, 1956 for the year 2006-07.	15.21	15.21

42. The Board of Directors of the parent company at its meeting held on 16th May, 2018 have recommended a payment of final dividend of ₹ 6.50 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2018. The same amounts to ₹ 6,034.21 Lacs (including dividend distribution tax of ₹ 1,028.86 Lacs). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

43. Commitments

Capital Commitments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	17,084.27	6,709.61

44. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017
Current			
Financial assets			
Trade Receivables	16	19,144.79	13,252.64
		19,144.79	**13,252.64**
Non-financial assets			
Inventories	14	68,708.50	62,974.49
Others	13	28.88	27.00
		68,737.38	**63,001.49**
Total current assets pledged as security		**87,882.17**	**76,254.13**
Non-current			
Land	6	2,05,938.73	1,06,921.33
Buildings	6	55,080.22	55,532.60
Plant & Machinery	6	3,61,876.78	3,72,315.38
Others Tangible Assets	6	79,484.90	83,564.32
Other Non Current Assets	8 & 13	78,525.95	72,579.42
Total non-currents assets pledged as security		**7,80,906.58**	**6,90,913.05**
Total assets pledged as security		**8,68,788.76**	**7,67,167.19**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

45 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015.

Sl. No.	Particulars	As at 31st March, 2018	As at 31st March, 2017
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year:		
	Principal	146.87	130.52
	Interest	–	0.63
ii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iii.	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	–	0.96
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–

46. Operating leases

46.1 **As Lessee**

The Group's significant leasing arrangements are in respect of operating leases for premises (residential,manufacturing facilities, office, stores, godown) etc. These leasing arrangements which are cancellable ranging between 11 months and 33 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

46.1.1 **Future Minimum Lease Payments**

At 31st March, the future minimum lease payments to be made under non-cancellable operating leases are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Payables within one year	28.91	96.19
Payables later than one year but not later than five years	72.97	77.34
Payables later than five years	350.07	380.77

46.1.2 The Group has entered into leasing agreements under operating lease in respect of Land for original lease period ranging upto 33 years. Total operating lease expenses recognised in the statement of profit and loss for the year is ₹ 2,269.04 Lacs (previous year ₹ 1,896.35 Lacs).

46.2 As Lessor

The Group leases out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in note no 7.

47. Earnings Per Share

Particulars	As at 31st March 2018	As at 31st March 2017
Profit for the year	15,394.84	21,946.36
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic - and diluted (₹)	19.99	28.50
(Face value of ₹10/- per share)		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

48. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

48.1 **Defined Contribution Plan :**

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
a.	Provident Fund	284.04	185.57
b.	Superannuation Fund	356.91	359.31
c.	Pension Fund	759.40	777.69

48.2 Defined Benefit Plan:

The following are the types of defined benefit plans:

48.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

48.2.2 Pension Plan

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

48.2.3 Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

48.2.4 Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) Salary risk: Higher than expected increases in salary will increase the defined benefit obligation.

c) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

48.2.5 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Balance at the beginning of the year	12,768.38	11,181.79	83.10	85.56
Acquired through business combination	–	429.56	–	–
Current Service Cost	823.68	731.03	–	–
Interest Cost on Defined Benefit Obligation	861.76	883.15	5.38	6.30
Actuarial Gain and Losses arising from				
Changes in demographic assumptions	–	–	–	–
Changes in financial assumptions	(424.19)	793.17	(9.62)	3.81
Experience Adjustment	(219.57)	(92.21)	(1.49)	1.06
Benefits Paid	(914.91)	(1,158.11)	(12.54)	(13.63)
Balance at the end of the year	**12,895.15**	**12,768.38**	**64.83**	**83.10**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

48.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Balance at the beginning of the year	12,069.94	10,421.47	–	–
Acquired through business combination	–	461.95	–	–
Interest Income on Plan Assets	848.74	886.80	–	–
Remeasurement of Defined Benefit Obligation:				
Return on plan assets greater/ (lesser) than discount rate	108.11	(73.82)	–	–
Employer Contributions to the Plan	1,000.02	1,531.65	–	–
Benefits Paid	(890.26)	(1,158.11)	–	–
Balance at the end of the year	**13,136.55**	**12,069.94**	**–**	**–**

48.2.7 **The amount recognised in the Balance Sheet**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Net Asset/(Liability) recognised in the Balance Sheet				
Present value of Defined Benefit Obligation	12,895.15	12,768.38	64.83	83.10
Fair Value of Plan Assets	13,136.54	12,069.93	–	–
Net Asset/(Liability) in the Balance Sheet	**241.39**	**(698.45)**	**(64.83)**	**(83.10)**

48.2.8 **Expenses recognized in profit or loss**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Current Service Cost	823.68	731.03	–	–
Interest Cost	861.76	883.15	5.38	6.30
Interest Income on Plan Assets	(848.74)	886.80	–	–
Total Expenses	**836.70**	**2,500.98**	**5.38**	**6.30**

48.2.9 **Remeasuremets recognzied in other comprehensive income**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Actuarial (gain)/ Loss on defined benefit obligation	(643.76)	700.96	(11.10)	4.87
Return on plan assets greater/ (lesser) than discount rate	(108.11)	73.82	-	-
Total	**(751.87)**	**774.78**	**(11.10)**	**4.87**

48.2.10 **Major Categories of Plan Assets**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Qualified Insurance Policy	100%	100%	-	-
Insurer Managed Funds	100%	100%	-	-

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited and Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd and Rel Group Gratuity Plus Plan offered by Reliance Nippon Life Insurance Co. Ltd. (Formerly known as Reliance Life Insurance Company Ltd.). The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

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48.2.11 **Asset-Liability Matching Strategy**

The Group's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Company, the investment are being managed by these insurance companies and at the year end interest is being credited to the fund value. The Group has not changed the process used to manage its risk from previous periods . The Group's investment are fully secured and would be sufficient to cover its obligations.

48.2.12 **Actuarial Assumptions**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Financial Assumptions				
Discount Rate	7.50%	7%	7.50%	7%
Salary Escalation Rate	5% to 8%	5% to 8%	–	–
Demographic Assumptions				
Mortality Rate	IAL (2006–08) Modified Ultimate	IAL (2006–08) Modified Ultimate	LIC (1996–1998) Ultimate	LIC (1996–1998) Ultimate
Withdrawal Rate	2% to 4%	2% to 4%	–	–

48.2.13 The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

48.2.14 At 31st March 2018, the weighted average duration of the defined benefit obligation was 6 years (previous year 6 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Within 1 Year	1,836.06	1,827.52	10.62	12.30
1 to 2 Year	1,289.32	1,477.14	10.27	12.65
2 to 3 Year	1,214.05	1,284.25	10.32	12.42
3 to 4 Year	1,320.87	1,225.94	9.96	12.33
4 to 5 Year	1,406.71	1,293.45	10.31	11.87
More than 5 Years	8,331.93	8,663.15	46.40	57.56

48.2.15 The Group expects to contribute ₹259.00 Lacs (previous year ₹823.08 Lacs) to its gratuity fund in 2018-19.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Within next 12 months (next annual reporting period)	259.00	773.08	–	–
Between 2 and 5 years	400.00	800.00	–	–
Between 5 and 10 years	600.00	900.00	–	–
Beyond 10 years	1,000.00	1,200.00	–	–

48.2.17 In respect of provident fund in the nature of defined benefit plans contribution amounting to ₹565.80 Lacs (Previous Year ₹563.56 Lacs) and the accrued past service liability of NIL (Previous Year NIL) as valued by the actuary using Projected Unit Credit Method is recognized as an expenses and included in "Employee Benefit Expenses.

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48.2.18 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
Effect on DBO due to 1% increase in Discount Rate	(763.40)	(258.14)	(2.78)	(3.81)
Effect on DBO due to 1% decrease in Discount Rate	872.33	1,420.30	3.04	4.19
Effect on DBO due to 1% increase in Salary Escalation Rate	859.15	1,403.39	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(765.63)	(257.72)	–	–

Sensitivity due to mortality and withdrawl rate are being insignificant, hence ignored.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

49 In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosures are as follows:

49.1

Particulars	For the year ended on	
	31st March 2018	31st March 2017
Gross amount required to be spent by the Parent Company during the year	424.00	368.02
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	–	–
Provision made in relation to CSR expenditure	–	–

49.2 Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March, 2018			For the year ended on 31st March, 2017		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i	Construction/ Acquisition of any asset	–	–	–	–	–	–
ii	On purposes other than (i) above	422.87	1.25	424.12	352.81	31.10	383.91

50. Companies included/not included in Consolidation :

50.1 **Companies included in Consolidation Companies incorporated in India**

	Particulars	2017-18		2016-17	
	Name of the Company	Extent of Shareholding	Relationship	Extent of Shareholding	Relationship
i	Reliance Cement Company Private Ltd. (W.e.f. 22.08.2016)	100.00%	Subsidiary	100.00%	Subsidiary
ii	Birla Jute Supply Company Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
iii	Talavadi Cements Ltd.	98. 01%	Subsidiary	98. 01%	Subsidiary
iv	Lok Cements Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
v	Budge Budge Floorcoverings Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
vi	Birla Cement (Assam) Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
vii	M.P. Birla Group Services Pvt. Ltd.	100.00%	Subsidiary	100.00%	Subsidiary
viii	Birla Odessa Industries Pvt. Ltd.	–	–	48.61%	Associate
ix	Birla Readymix Pvt. Ltd.	–	–	46.73%	Associate

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50.2 **Company not included in Consolidation as it is under voluntarily winding up Companies incorporated in India**

	Particulars	2017-18		2016-17	
	Name of the Company	**Extent of Shareholding**	**Relationship**	**Extent of Shareholding**	**Relationship**
i	Birla Odessa Industries Pvt. Ltd.	48.61%	Associate	-	-
ii	Birla Readymix Pvt. Ltd.	46.73%	Associate	-	-
	Company incorporated Outside India, Ethiopia				
	Name of the Company				
i	Birla Corporation Cement Manufacturing PLC	100.00%	Subsidiary	100.00%	Subsidiary

51 Talavadi Cements Ltd, one of the subsidiary, has been granted Mining Lease for 2130 Hectors in Satna District in the State of Madhya Pradesh. A Revision Petition & Writ Petition against the same was filed before the Central Government Mining Tribunal and the Hon'ble High Court, Jabalpur respectively. The Hon'ble High Court remitted back the matter to the State Government for fresh hearing. Aggrieved by the above order the subsidiary appealed before the Hon'ble Supreme Court. Pursuant to the order of the Hon'ble Supreme Court, the subsidiary has filed review petition before the Hon'ble High Court at Jabalpur. The case is pending for further hearing.

52 In view of decision of the Hon'ble Supreme Court dated 24th September, 2014, the allocation of Bikram Coal Block to the company was cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Act, 2015, which inter alia provides for compensation to prior allottees against expenditure incurred on the cancelled coal block. The company has submitted its claim for compensation of amount incurred on Coal Block amounting to ₹1609.54 Lacs. Consequential adjustment shall be made on settlement of the claim.

53 Certain Trade Receivables , Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

53.1 The Parent Company's unit Soorah Jute mill is under suspension of operations since 29th March, 2004.

53.2 The Parent Company's unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

53.3 In respect of mining matter of Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing.

53.4 Budge Budge Floorcoverings Ltd, one of the subsidiaries considered for consolidation, is under Suspension of Operations since 29th October, 2003.

53.5 Following Subsidiary/Associate Companies have not been Consolidated during the year as these are under Voluntarily Winding Up:

Name of the Company	Accumulated loss	
	As at 31st March, 2018	**As at 31st March, 2017**
Birla Corporation Cement Manufacturing PLC	45.19	54.27
Birla Odessa Industries Pvt. Ltd.	6.41	–
Birla Readymix Pvt. Ltd.	32.85	–

54 Fair Value Measurement

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

54.1 The following methods and assumptions were used to estimate the fair values:

54.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

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54.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Group's assets and liabilities:

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(a) Disclosure for the year ended 31st March 2018					
(1) **Financial Assets**					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.18	0.18	–	–	–
Trade Receivables	19,144.80	19,144.80	–	–	–
Loans Given	171.37	171.37	–	–	–
Cash and Cash Equivalents	10,787.78	10,787.78	–	–	–
Other Bank Balances	11,193.60	11,193.60	–	–	–
Security Deposits	5,026.85	5,026.85	–	–	–
Other Deposits and Advances	250.12	250.12	–	–	–
Interest accrued on Deposits	272.80	272.80	–	–	–
Fixed Deposits maturing after 12 months from Balance sheet date	225.81	225.81	–	–	–
Other Financial Assets	237.13	237.13	–	–	–
Incentive and Subsidy Receivable	64,404.06	64,404.06	–	–	–
	1,11,714.50	**1,11,714.50**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	0.01	0.01	–	–	0.01
- Mutual Funds	41,372.53	41,372.53	41,372.53	–	–
Derivative Instrument	55.62	55.62	–	55.62	–
	41,428.16	**41,428.16**	**41,372.53**	**55.62**	**0.01**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	24,993.21	24,993.21	24,993.21	–	–
- Unlisted Equity Instrument	5.42	5.42	–	–	5.42
- Bonds and Debentures	743.42	743.42	743.42	–	–
- Government Securities	100.29	100.29	100.29	–	–
	25,842.34	**25,842.34**	**25,836.92**	**–**	**5.42**
Total Financial Assets	**1,78,985.00**	**1,78,985.00**	**67,209.45**	**55.62**	**5.43**

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Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(2) **Financial Liabilities**					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	68,000.00	68,796.23	–	–	68,796.23
Floating Rate					
- Rupee Term Loan	2,53,883.10	2,53,883.10	–	–	–
- Foreign Currency Term Loan	84,331.58	84,331.58	–	–	–
- Finance Lease Obligation	13.33	13.33	–	–	–
Others - Rupee Term Loan	287.97	287.97	–	–	–
Short Term Borrowings	6,529.92	6,529.92	–	–	–
Trade Payables	49,652.17	49,652.17	–	–	–
Trade & Security Deposits	39,967.49	39,967.49	–	–	–
Amount Payable for Capital Goods	3,383.88	3,383.88	–	–	–
Interest accrued but not due on Borrowings	3,322.68	3,322.68	–	–	–
Employees Related Liabilities	3,090.27	3,090.27	–	–	–
Other Financial Liabilities	42,033.80	42,033.80	–	–	–
Total Financial Liabilities	**5,54,496.19**	**5,55,292.42**	**–**	**–**	**68,796.23**
Financial Assets at fair value through Profit & Loss					
Derivatve Instrument	8.76	8.76	–	8.76	–
Total Financial Liabilities	**5,54,504.95**	**5,55,301.18**	**–**	**8.76**	**68,796.23**
(b) **Disclosure for the year ended 31st March 2017**					
(1) **Financial Assets**					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.18	0.18	–	–	–
Trade Receivables	13,252.64	13,252.64	–	–	–
Loans Given	201.86	201.86	–	–	–
Cash and Cash Equivalents	8,830.15	8,830.15	–	–	–
Other Bank Balances	22,416.84	22,416.84	–	–	–
Security Deposits	4,452.90	4,452.90	–	–	–
Other Deposits and Advances	759.37	759.37	–	–	–
Interest accrued on Deposits	456.90	456.90	–	–	–
Fixed Deposits maturing after 12 months from Balance sheet date	390.38	390.38	–	–	–
Other Financial Assets	243.50	243.50	–	–	–
Incentive and Subsidy Receivable	45,740.95	45,740.95	–	–	–
	96,745.67	**96,745.67**	**–**	**–**	**–**

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(₹ in lacs)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	0.01	0.01	–	–	0.01
- Mutual Funds	33,532.36	33,532.36	33,532.36	–	–
- Derivative Instrument	10.35	10.35	–	10.35	–
	33,542.72	**33,542.72**	**33,532.36**	**10.35**	**0.01**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	21,972.01	21,972.01	21,972.01	–	–
- Unlisted Equity Instrument	5.16	5.16	–	–	5.16
- Bonds and Debentures	806.74	806.74	806.74	–	–
- Government Securities	100.85	100.85	100.85	–	–
	22,884.76	**22,884.76**	**22,879.60**	**–**	**5.16**
Total Financial Assets	**1,53,173.15**	**1,53,173.15**	**56,411.96**	**10.35**	**5.17**
(2) **Financial Liabilities**					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	68,000.00	69,408.41	–	–	69,408.41
Floating Rate					
- Rupee Term Loan	2,28,891.98	2,28,891.98	–	–	–
- Foreign Currency Term Loan	1,26,450.09	1,26,450.09	–	–	–
- Finance Lease Obligation	13.27	13.27	–	–	–
Others - Rupee Term Loan	–	–	–	–	–
Short Term Borrowings	2,138.58	2,138.58	–	–	–
Trade Payables	36,786.28	36,786.28	–	–	–
Trade & Security Deposits	30,832.34	30,832.34	–	–	–
Amount Payable for Capital Goods	4,236.11	4,236.11	–	–	–
Interest accrued but not due on Borrowings	3,546.87	3,546.87	–	–	–
Employees Related Liabilities	2,620.65	2,620.65	–	–	–
Other Financial Liabilities	33,176.45	33,176.45	–	–	–
	5,36,692.62	**5,38,101.03**	**–**	**–**	**69,408.41**
Financial Assets at fair value through Profit & Loss					
Derivative Instrument	1,085.87	1,085.87	–	1,085.87	–
	1,085.87	**1,085.87**	**–**	**1,085.87**	**–**
Total Financial Liabilities	**5,37,778.49**	**5,39,186.90**	**–**	**1,085.87**	**69,408.41**

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54.4 During the year ended 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements except Foreign Exchange Forward Contract (MTM) which has been transfered from Level 1 to Level 2 .

55 Financial Risk Management

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below :

55.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted,obtaining necessary approvals for credit and taking security deposits from trade channels.

a. Trade Receivables

As at 31st March 2018

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	7,313.33	7,802.28	1,456.70	339.30	3,913.96
Expected loss rate	0%	0%	0%	0%	42.94%
Expected credit losses (Loss allowance provision)	–	–	–	–	1,680.77
Carrying amount of trade receivables (net of impairment)	7,313.33	7,802.28	1,456.70	339.30	2,233.19

As at 31st March 2017

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days
Gross carrying amount	900.13	8,119.60	1,427.11	405.78	4,074.70
Expected loss rate	0%	0%	0%	0%	41.10%
Expected credit losses (Loss allowance provision)	–	–	–	–	1,674.68
Carrying amount of trade receivables (net of impairment)	900.13	8,119.60	1,427.11	405.78	2,400.02

Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2017-18	2016-17
Loss allowance as at beginning	1,674.68	1,102.03
Changes in loss allowance (Net)	6.09	572.65
Loss allowance as at Year end	**1,680.77**	**1,674.68**

There are no customers who represents more than 10% of the total balance of Trade Receivables.

55.2 Liquidity Risk

The Group determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs.

The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

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(₹ in lacs)

55.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March, 2018 :

a.

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	0.62	28,045.42	21,606.13	–	–	49,652.17
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	–	25,000.00	25,000.00
1500 9.15% NCD 2021	–	–	–	15,000.00	–	15,000.00
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
Rupee Term Loan (Refer Note No 22.1(b))	–	2,254.25	2,957.06	77,336.99	1,73,528.87	2,56,077.17
Rupee Term Loan - Other (Refer Note No 22.1(d))	–	–	–	–	523.79	523.79
Foreign Currency Term Loan (Refer Note No 22.1(c))	–	14,793.59	3,533.75	64,458.44	1,945.12	84,730.90
Finance lease obligations (Refer Note No. 22.2)	–	0.47	0.47	3.77	8.62	13.33
Short Term Borrowings	745.42	5,784.50	–	–	–	6,529.92
Other financial liabilities						
Trade & Security Deposits*	–	1.75	7.49	–	39,958.25	39,967.49
Amount Payable for Capital Goods	–	1,764.71	1,619.17	–	–	3,383.88
Interest accrued but not due on Borrowings	–	2,326.13	736.64	259.91	–	3,322.68
Employees related Liabilities	0.15	3,090.12	–	–	–	3,090.27
Others Financial Liabilities	141.37	17,373.97	23,733.82	784.64	–	42,033.80
Total	**887.56**	**75,434.91**	**54,194.53**	**1,85,843.75**	**2,40,964.65**	**5,57,325.40**
Derivative						
Derivative Instrument	–	–	8.76	–	–	8.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

b. The following are the remaining contractual maturities of financial liabilities as at 31st March 2017.

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 years to 5 years	More than 5 years	Total
Non–derivative						
Trade payables	0.61	17,825.33	18,960.34	–	–	36,786.28
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						–
2500 9.25% NCD 2026	–	–	–	–	25,000.00	25,000.00
1500 9.15% NCD 2021	–	–	–	15,000.00	–	15,000.00
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	1,945.90	1,945.90	48,421.23	1,78,359.31	2,30,672.34
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	3,224.08	11,330.97	84,292.77	29,013.54	1,27,861.36
Finance lease obligations (Refer Note No. 22.2)	–	0.47	0.47	3.77	8.56	13.27
Short Term Borrowings	1,385.24	753.34	–	–	–	2,138.58
Other financial liabilities				–		
Trade & Security Deposits*	–	14.33	8,785.79	–	22,032.22	30,832.34
Amount Payable for Capital Goods	–	1,894.60	2,341.51	–	–	4,236.11
Interest accrued but not due on Borrowings	–	2,987.70	559.17	–	–	3,546.87
Employees related Liabilities	–	2,620.65	–	–	–	2,620.65
Others Financial Liabilities	134.46	24,410.53	7,783.14	848.32	–	33,176.45
Total	**1,520.31**	**55,676.93**	**51,707.29**	**1,76,566.09**	**2,54,413.63**	**5,39,884.25**
Derivative						
Derivative Instrument	–	374.12	711.75	–	–	1,085.87

* Based on management assumption

c. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

55.3 **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

55.3.1 **Commodity Price Risk**

The Group primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

55.3.2 **Foreign Exchange Risk**

The Group has Foreign Currency Exchange Risk on imports of input materials, Capital Equipment(s) and also Borrows funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

The following table demonstrates the sensitivity in the USD, EUR and JPY to the Indian Rupee with all other variables held constant.

a. **Exposure to currency risk**

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

I) Unhedge Foreign Currency Exposure

Particulars	31st March 2018			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	–	–	0.19	15.04
Financial Liabilities				
Foreign Currency Term Loan	939.20	61,216.66	–	–
Trade Payables & Others	6.62	431.51	5.93	476.26
Net Exposure in foreign currency	**945.82**	**61,648.18**	**5.74**	**461.22**

(*) Does not includes CHF 3060 and GBP 2450 equivalent to ₹ 0.21 Lacs (Previous Year Nil) ₹ 0.23 Lacs (Previous Year Nil) respectively.

Particulars	31st March 2017					
	USD	INR	EUR	INR	JPY	INR
Financial Assets						
Trade Receivables	11.97	776.03	–	–	–	–
Financial Liabilities						
Foreign Currency Term Loan	1,194.75	77,482.98	–	–	–	–
Trade Payables & Others	10.57	685.54	22.75	1,576.97	1.55	0.90
Net Exposure in foreign currency	**1,193.35**	**77,392.49**	**22.75**	**1,576.97**	**1.55**	**0.90**

I) Hedged Foreign Currency Exposure

Particulars	31st March 2018					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	13.78	898.04	–	–	–	–
Forward Contract against Firm Commitments	5.22	340.19	–	–	–	–
Derivative Liabilities						
Forward Contract – Against Payable	440.33	28,696.41	4.58	367.69	–	–
Forward Contract – Against Firm Commitments	1.68	109.16	13.69	1,098.05	0.47	91.19
Net Exposure in foreign currency	**423.01**	**27,567.34**	**18.27**	**1,465.74**	**0.47**	**91.19**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

Particulars	31st March 2017			
	USD	INR	EUR	INR
Derivative Assets				
Forward Contract against Trade Receivable	–	–	–	–
Forward Contract against Firm Commitments	–	–	–	–
Derivative Liabilities				
Forward Contract – Against Payable	773.09	50,133.29	2.49	172.86
Forward Contract – Against Firm Commitments	27.71	1,796.73	8.10	561.15
Net Exposure in foreign currency	**800.80**	**51,930.02**	**10.59**	**734.01**

b) The Group uses interest rate swaps to hedge the Interest rate of External Commercial Borrowings of USD 10 Mn.

Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Particulars	31st March 2018			31st March 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity Increase	5%	(3,082.41)	(2,424.62)	5%	(3,869.62)	(3,043.86)
USD Sensitivity Decrease	5%	3,082.41	2,424.62	5%	3,869.62	3,043.86
EUR Sensitivity Increase	5%	(23.06)	(18.14)	5%	(78.85)	(62.02)
EUR Sensitivity Decrease	5%	23.06	18.14	5%	78.85	62.02
JPY Sensitivity Decrease	5%	–	–	5%	(0.04)	(0.04)
JPY Sensitivity Decrease	5%	–	–	5%	0.04	0.04

Sensitivity analysis for CHF and GBP are being insignificant, hence ignored.

55.3.3 Interest Rate Risk

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a. Exposure to interest rate risk

Particulars	31st March 2018	31st March 2017
Fixed Rate Instruments		
Financial Assets	–	–
Financial Liabilities	68,000.00	96,742.27
	68,000.00	**96,742.27**
Variable Rate Instruments		
Financial Assets	–	–
Financial Liabilities	3,40,808.07	3,29,533.70
	3,40,808.07	**3,29,533.70**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

b. Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on PBT and Other Equity.

Particulars	31st March 2018			31st March 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	(1,704.04)	(1,340.40)	0.50%	(1,647.67)	(1,296.06)
Interest Rate Decrease by	0.50%	1,704.04	1,340.40	0.50%	1,647.67	1,296.06

55.3.4 Other Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Company and classified in the balance Sheet either at fair value through OCI or at fair value through Profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the company, fluctuation in their prices are considered acceptable and do not warrant any management.

a. Exposure to other market price risk

Particulars	31st March 2018	31st March 2017
Investment in Equity Instruments	24,993.21	21,972.01
Investment in Mutual Funds	41,372.53	33,532.36
Investment In Bonds	743.42	806.74
Investment in Government Securities	100.37	101.03
	67,209.53	**56,412.14**

b. **Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March 2018			31st March 2017		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit after Tax	Other Equity		Profit after Tax	Other Equity
Market rate Increase	5%	3,360.48	2,643.35	5%	2,820.61	2,218.69
Market rate Decrease	5%	(3,360.48)	(2,643.35)	5%	(2,820.61)	(2,218.69)

56. Capital Management

The Group objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings net of lease obligation less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2018	31st March 2017
Debt Equity Ratio	0.76	1.03

57. Pursuant to the Share Purchase Agreement ("Agreement"), the Parent Company had acquired 100% equity shares of Reliance Cement Company Private Limited ("RCCPL"), from Reliance Infrastructure Limited on 22nd August, 2016, for a net consideration of ₹ 2,25,352 Lacs. During the year the Parent Company has incurred an additional liability within the measurement period of ₹ 1,874.20 Lacs, as additional consideration, arising on account of adjustment of Net Working Capital. The additional consideration has been adjusted in Capital Reserve.

58 In view of Business Combination of Reliance Cement Company Private Limited w.e.f. 22nd August,2016, previous year figure are not comparable with of current year.

59 Government grants during the year comprising Incentive and Subsidies include:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

59.1 Tax incentive for Capital investments under various State Investment Promotion Schemes of ₹ 19,835.37 Lacs (Previous Year ₹ 13,870.14 Lacs).

59.2 Amortisation of the deferred revenue of ₹ 4.36 Lacs (Previous Year Nil) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.

59.3 Amortisation of the deferred revenue of ₹ 84.31 Lacs (Previous Year ₹ 41.72 Lacs) on account of Investment in Plant & Machineries under various State Investment Promotion Schemes.

59.4 Renewable Energy Certificates for generation of power from Solar Power Plant under Central Electricity Regulatory Commission (Terms and conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 ₹ 26.23 Lacs (Previous Year ₹ 174.82 Lacs).

60. Segment Reporting

A) Primary Segment Information

Particulars	2017–18				2016–17			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales (Including Own Consumption)	5,62,676.45	31,015.09	619.80	5,94,311.34	4,64,291.97	32,761.91	1,068.09	4,98,121.97
(b) Inter Segment Revenue	132.86	–	–	132.86	207.59	–	–	207.59
Total	**5,62,809.31**	**31,015.09**	**619.80**	**5,94,444.20**	**4,64,499.56**	**32,761.91**	**1,068.09**	**4,98,329.56**
Less : Inter Segment Revenue	132.86	–	–	132.86	207.59	–	–	207.59
Revenue from Operations	**5,62,676.45**	**31,015.09**	**619.80**	**5,94,311.34**	**4,64,291.97**	**32,761.91**	**1,068.09**	**4,98,121.97**
Segment Result	**50,214.49**	**1,733.47**	**(281.80)**	**51,666.16**	**40,958.91**	**2,306.61**	**(214.00)**	**43,051.52**
Add:								
(i) Interest Income				3,143.72				2,951.48
(ii) Unallocated Income net of unallocated Expense				(1,061.88)				4,705.07
Less:								
(i) Interest Expense				37,763.87				27,678.54
Profit before Tax				**15,984.13**				**23,029.53**
Tax Expense								
Current Tax				2,738.83				1,293.85
Deferred Tax				(69.10)				(211.47)
Income Tax for earlier years				(2,080.98)				–
Profit after tax				**15,395.38**				**21,947.15**
Other Information								
Segment Assets	9,01,179.33	94,128.98	14,898.89	10,10,207.20	8,60,628.33	15,659.34	2,779.45	8,79,067.12
Unallocated assets				97,286.80				90714.51
Total				**11,07,494.00**				**9,69,781.63**
Segment Liabilities	1,36,138.75	2,563.39	133.13	1,38,835.27	1,39,354.78	2,142.49	298.61	1,41,795.88
Unallocated liabilities				5,40,673.74				499358.34
Total				**6,79,509.01**				**6,41,154.22**
Capital Expenditure	22,592.92	636.39	275.30	23,504.61	5,31,502.06	647.38	295.53	5,32,444.97
Common Capital Expenditure				641.65				500.05
Total				**24,146.26**				**5,32,945.02**
Depreciation	32,006.22	851.00	107.67	32,964.89	24,423.41	792.39	105.12	25,320.92
Common Depreciation				251.22				229.39
Total				**33,216.11**				**25,550.31**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

B) Secondary (Geographical) Segment Information

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

1. Revenue from external customers

Particulars	2017–18	2016–17
– Within India	5,87,356.61	4,87,603.11
– Outside India	6,954.73	10,518.86
Total	**5,94,311.34**	**4,98,121.97**

2. The company does not have any tangible, intangible assets and non current operating assets located outside India.

C) Other Disclosures

The Company's operations predominantly relate to Cement and other products are Jute Goods,Auto Trims and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in these financial statement**.**

Inter–segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

61 Related Party Disclosures

61.1 Other related parties with whom transactions have taken place during the year and previous year are:

Nature	Name of the Company
Entities exercising significant influence	Vindhya Telelinks Ltd.
	August Agents Ltd.
	Insilco Agents Ltd.
	Laneseda Agents Ltd.

Nature	Name of the Company
Associates	Birla Readymix Private Limited (Under Voluntarily Winding Up)
	Birla Odessa Industries Private Limited (Under Voluntarily Winding Up)

Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor
	Mr. Vikram Swarup	Directors
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

Post employment benefit plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M P Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla Corporation Superannuation Fund
	Birla DLW Ltd. Employees Gratuity Fund

61.2 Transactions during the year

Particulars	2017–2018				2016–2017			
	Associates	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust	Associates	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust
Sales of goods/services provided	–	77.30	–	–	–	10.38	–	–
Purchase of goods/ services received	–	83.28	–	–	–	59.27	–	–
Advances given	0.09	–	–	–	0.07	–	–	–
Advances Written off	0.26	–	–	–	–	–	–	–
Paid to Trust–Employees Provident Fund Contribution	–	–	–	565.80	–	–	–	563.56
Paid to Trust–Employees Gratuity Fund Contribution	–	–	–	1,000.02	–	–	–	1,531.65
Paid to Trust–Employees Superannuation Fund Contribution	–	–	–	348.81	–	–	–	359.31
Remuneration, Perquisites & Others (Refer Note No. 61.2.1)	–	–	615.75	–	–	–	592.38	–

61.2.1 Key Management Personnel compensation

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Short–term employee benefits	486.71	474.48
Post–employment benefits	50.62	31.79
Long–term employee benefits	10.92	9.81
Director's sitting fees	67.50	76.30
Total compensation	**615.75**	**592.38**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

61.3 **Balance Outstanding as at the balance sheet date**

Particulars	As at 31st March 2018	As at 31st March 2017
Trade Payables		
Entities exercising significant influence over the Parent Company	2.68	40.14
Provision for Employees benefit		
Post employment benefit plan Trust	229.43	242.52
Trade Receivables		
Entities exercising significant influence over the Parent Company	0.34	0.50
Other Receivables		
Entities exercising significant influence over the Parent Company	0.59	–
Advances		
Associates	–	0.17
Short–term employee benefits		
Key Management Personnel	61.32	87.28

61.4 All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Company has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

62 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates

Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share of Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consoli–dated net assets	Amount	As % of consoli–dated Profit or Loss	Amount	As % of consoli–dated other compre–hensive income	Amount	As % of total compre–hensive income	Amount
Parent								
Birla Corporation Limited	96.46	4,12,844.64	74.78	11,512.35	99.95	89,310.28	96.25	1,00,822.63
Subsidiaries								
Indian								
1. Reliance Cement Company Private Limited	56.54	2,41,999.08	23.27	3,582.22	0.01	6.88	3.43	3,589.10
2. Birla Jute Supply Co. Ltd	0.03	126.81	0.03	3.89	0.03	27.83	0.03	31.72
3. Talavadi Cements Limited	0.21	883.21	0.18	27.10	–	–	0.03	27.10
4. Lok Cements Limited	(0.05)	(234.53)	(0.05)	(8.06)	–	–	(0.01)	(8.06)
5. Budge Budge Floor Covering Ltd	0.04	190.05	(0.02)	(3.26)	0.01	6.87	–	3.62
6. M.P.Birla Group Services Ltd	–	0.57	(0.01)	(0.14)	–	–	–	(0.14)
7. Birla Cement Assam Limited	–	3.19	(0.01)	(0.10)	–	–	–	(0.10)
Minority Interest in all subsidiaries	–	3.30	0.01	0.54	–	–	–	0.54
Consolidation adjustments	(53.23)	(2,27,831.33)	1.82	280.83	–	–	0.27	280.83
Total	**100.00**	**4,27,984.99**	**100.00**	**15,395.37**	**100.00**	**89,351.86**	**100.00**	**1,04,747.24**

[1]After elimination of Investment in Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lacs)

63 Previous year figures have been regrouped/rearranged/reclassified wherever necessary. Material regrouping/reclassification are as follows :

Particulars	Current Year	Last Year	Amount	Reason for the regrouping/ reclassification
Incentive and Subsidy Receivable (Net)	Other Financial Asset–Current	Other Current Assets	43,217.75	Reclassification has been done in pursuance of clarification vide ITFG clarification Bulletin 15 issuesd by The Institute of Chartered Accountants of .India during the year
	Other Financial Asset–Non Current	Other Non Current Assets	2,523.20	

As per our Report annexed.
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M.S.BALACHANDRAN
Partner
Membership No. 024282
Kolkata, 16th May, 2018

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

GIRISH SHARMA
Joint President (Indirect Taxes) & Company Secretary

B. R. NAHAR
Managing Director
(DIN : 00049895)

BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334
Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001
E-mail: investorgrievance@birlacorp.com
Website: www.birlacorporation.com
Phone: (033) 6616 6729/6737/6738

ATTENDANCE SLIP

Name and Address of the Shareholder(s)	DP Id * Client Id ** Folio No. No. of Shares

Full Name of the Member/ Proxy attending the meeting	

I hereby record my presence at the NINETY-EIGHTH ANNUAL GENERAL MEETING of the Company being held at **Kalpataru Uttam Mancha**, 10/1/1, Manohar Pukur Road, Kolkata- 700 026 on Friday, the 20th day of July, 2018 at 10.30 a.m.

Signature of the attending Member/Proxy	

** Applicable for investors holding shares in electronic form.

Notes :

1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance, duly signed.
2. Shareholder/Proxyholder is requested to bring their copies of the Annual Report and Accounts with them to the Meeting.

BIRLA CORPORATION LIMITED

ELECTRONIC VOTING

The Company is providing electronic voting (e-voting) facility for the Resolutions contained in the Notice convening the 98th Annual General Meeting on Friday, the 20th July, 2018. The procedure for e-voting has been mentioned in the aforesaid Notice. Your User ID and Password for e-voting purposes are given below:

Electronic Voting Event Number (EVEN)	User ID	Password

BIRLA CORPORATION LIMITED

CIN-L01132WB1919PLC003334
Registered Office : 'Birla Building', 9/1, R.N. Mukherjee Road, Kolkata- 700 001.
E-mail: investorsgrievance@birlacorp.com Website: www.birlacorporation.com
Phone: (033) 6616 6729/6737/6738

98TH ANNUAL GENERAL MEETING

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :
Registered Address :

E-mail ID :
Folio No. :
DP ID No. / Client ID No.* :

* Applicable for investors holding shares in electronic form.

I/We being the Member(s) of ..... shares of Birla Corporation Limited hereby appoint

(1) Name : ..... Address : .....

E-mail ID : ..... Signature : ....., or failing him / her

(2) Name : ..... Address : .....

E-mail ID : ..... Signature : ....., or failing him / her

(3) Name : ..... Address : .....

E-mail ID : ..... Signature : .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 98th Annual General Meeting of the Company to be held on Friday, the 20th day of July, 2018 at 10.30 a.m. at **Kalpataru Uttam Mancha**, 10/1/1, Manohar Pukur Road, Kolkata- 700 026 and at any adjournment thereof in favour of/ against the Resolution(s) as are indicated below:

Resolution No.	Description
Ordinary Business:	
01.	Consider and adopt : a) Audited Financial Statements for the financial year ended 31st March, 2018 and Reports of the Directors and Auditors thereon ; and b) Audited Consolidated Financial Statements for the financial year ended 31st March, 2018 and the Report of Auditors thereon.
02.	Declaration of Dividend on Ordinary Shares for the financial year ended 31st March, 2018.
03.	Re-appointment of Shri Prachela Majumdar (DIN: 00179118), Whole-time Director designated as Chief Management Advisor, who retires by rotation.
Special Business:	
04.	Appointment of Shri Dilip Ganesh Karnik (DIN: 06419513) as Non-Independent Non-Executive Director of the Company (Ordinary Resolution).
05.	Re-appointment of Shri Prachela Majumdar (DIN: 00179118) as Whole-time Director designated as the Chief Management Advisor (Special Resolution).
06.	Re-appointment of Shri Vikram Swarup (DIN: 00163543) as an Independent Director (Special Resolution).
07.	Re-appointment of Shri Anand Bardia (DIN: 00679165) as an Independent Director (Special Resolution).
08.	Re-appointment of Shri Brij Behari Tandon (DIN: 00740511) as an Independent Director (Special Resolution).
09.	Re-appointment of Shri Dhruba Narayan Ghosh (DIN: 00012608) as an Independent Director (Special Resolution).
10.	Re-appointment of Dr. Deepak Nayyar (DIN: 00346529) as an Independent Director (Special Resolution).
11.	Ratification of Remuneration of the Cost Auditors of the Company (Ordinary Resolution).

Signed this ..... day of 2018

Affix Revenue Stamp

Signature of Shareholder(s) .....

Signature of Proxy holder(s) .....

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

(2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 98th Annual General Meeting.

(3) Please complete all details including details of member(s) in the above box before submission.



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www.birlacorporation.com