BIRLA CORPORATION LIMITED
1, SHAKESPEARE SARANI, 2ND FLOOR, KOLKATA - 700 071
Phone : (033) 6603 3300 / 01 / 02, Fax : (033) 2288 4426
E-mail : coordinator@birlacorp.com; Website : www.birlacorporation.com

Ref. No. BCL/10

August 02, 2017

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai – 400 001

The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
Fax No.(022) 2659 8237/38/8348

Dear Sir,

Sub: **Annual Report for the Financial Year 2016-17**

Attached please find the Annual Report of the Company for the financial year 2016-17 for your reference and records please.

Kindly acknowledge the same.

Thanking you,

Yours faithfully
For **BIRLA CORPORATION LIMITED**

Aditya Saraogi

(ADITYA SARAOGI)
CHIEF FINANCIAL OFFICER

Encl: As above

BIRLA CORPORATION LIMITED

ANNUAL REPORT AND ACCOUNTS 16-17

MP BIRLA GROUP

यथा चतुर्भिः कनकं परीक्ष्यते निघर्षणच्छेदनतापताडनौः।
तथा चतुर्भिः पुरुष परीक्ष्यते त्यागेन शिलेन गुणेन कर्मणा।।

The way gold's purity is tested by
rubbing, cutting, heating and pounding,
similarly, a person's qualities are tested by
gentleness, manners, habits and deeds.

Madhav Prasadji Birla

(1918 – 1990)

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

Priyamvadaji Birla

(1928 – 2004)

She was the embodiment of Vidya, Shraddha, Chintan and Utkarsh, which are the guiding principles in our pursuit for excellence.

Rajendraji S. Lodha
(1942 – 2008)

Shri Harsh V. Lodha
Chairman

Shri Pracheta 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. Shailaja Chandra

Shri Bachh Raj Nahar
Managing Director

MP BIRLA GROUP

BIRLA CORPORATION LIMITED

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 Bachh Raj Nahar (DIN 00049895)
Managing Director

SENIOR MANAGEMENT TEAM

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

Shri A. Agarwal
Executive President
Reliance & Corporate Development

Shri A. Chattopadhyay
Executive President
Operation

Shri A. Saraogi
Chief Financial Officer

Shri G. Sharma
Company Secretary

Shri R. Kakkar
Sr. Joint President
Durgapur Cement Works
Durga Hitech Cement

Shri G. R. Verma
President
Birla Jute Mills

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

Shri J. S. Kalra
President
Satna Cement Works
Raebareli Cement Works
Raebareli Hitech Cement Works
Vindhyachal Steel Foundry

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

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 6726/6737/6738
E-mail : investorsgrievance@birlacorp.com
Website : www.birlacorporation.com
CIN: L01132WB1919PLC003334

CONTENTS

NOTICE

To the Shareholders

NOTICE is hereby given that the Ninety-Seventh 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 Monday, the 31st day of July, 2017 at 10.30 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt :

   (a) the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2017.

2. To declare dividend on Ordinary Shares.

3. To appoint a director in place of Shri Harsh V. Lodha (holding DIN 00394094), who retires by rotation and being eligible, offers himself for re-appointment as Director.

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

   "RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the rules") including any statutory amendment(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Audit Committee, Messrs. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W) be and are hereby appointed as the Statutory Auditors of the Company [in place of Messrs. H.P. Khandelwal & Co., Chartered Accountants, (Firm Registration No.302050E), the retiring Auditors], to hold office for a term of 5 (five) consecutive years 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, subject to ratification of their appointment by the Members at every subsequent Annual General Meeting till the conclusion of their tenure and the Board of Directors of the Company be and is hereby authorised to fix their remuneration and sanction travelling and other incidental expenses that may be incurred by them in connection with the Audit of Accounts of the Company."

SPECIAL BUSINESS :

5. 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 lacs (Rupees four lacs only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses, to be paid to M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), Cost Auditors of the Company, for the Financial Year 2017-18, as approved by the Board of Directors of the Company, at its Meeting held on 26th May, 2017, 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 22nd June, 2017
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) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.

(04) 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.

(05) The Register of Members and the Share Transfer Books of the Company will remain closed from 25th July, 2017 to 31st July, 2017 (both days inclusive).

(06) 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 24th July, 2017, 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 24th July, 2017.

(07) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item No.5 which sets out details relating to Special Business at the meeting, is annexed hereto.

(08) Shareholders holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent, 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, Electricity / 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.

(09) Shareholders who have not so far encashed their Dividend Warrants for the accounting years ended 31st March, 2010, 2011, 2012, 2013, 2014, 2015 and 2016 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.

The Ministry of Corporate Affairs has notified provisions relating to unpaid/ unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/ claimed by the Shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2008-09, 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 8th July, 2016 (date of last Annual General Meeting) are available on the website of the Company (www.birlacorporation.com) and on Ministry of Corporate Affairs' website. 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 accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules.

(10) 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.

(11) 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.

(12) 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 97th 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.

(13) As per the provisions of the Companies Act, 2013 the facility for making/ varying /cancelling 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 Registrars and Share Transfer Agents/Company.

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

(15) **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.**

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

(17) Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), with respect to Directors seeking re-appointment/appointment at the Annual General Meeting is given in the Annexure.

(18) **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 28th July, 2017 (9.00 a.m.) and ends on 30th July, 2017 (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

24th July, 2017, 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. The process and manner for remote e-voting are as under :

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "Birla Corporation Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) 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. together with attested specimen signature of the duly authorized signatory(s) who are authorized to vote, to the Scrutinizer through e-mail to evotingam@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :

(i) Initial password is provided at the bottom of the Attendance Slip for the Meeting;

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. 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.

VII. 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).

VIII. 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 24th July, 2017. Any person who is not a member as on the said cut-off date should treat this Notice for information purpose only.

IX. 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. 24th July, 2017 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.

X. 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.

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

XII. 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.

XIII. 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.

XIV. 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.

(19) Statutory Registers and documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered 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**.

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item of Special Business :

Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 26th May, 2017, has considered and approved the appointment of M/s. Shome & Banerjee (Firm Registration No. 000001) as the Cost Auditors of the Company for the Financial Year 2017-18 for the following products at a total remuneration of ` 4.00 lacs (Rupees four lacs only) per annum plus tax as applicable and reimbursement of travelling and incidental expenses :

1. Cement – ` 2.50 lacs (Rupees two lacs fifty thousand only) per annum
2. Jute Goods – ` 1.25 lacs (Rupees one lacs twenty five thousand only) per annum
3. Steel – ` 0.25 lacs (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. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2017-18.

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. 5 of the Notice.

Your Directors, therefore, recommend the Ordinary Resolution as set out at Item No. 5 of the Notice for your approval.

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

Dated, the 22nd June, 2017
Place : Kolkata

By Order of the Board

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

ANNEXURE TO ITEM NO. 3 OF THE NOTICE

Details of Directors seeking re-appointment/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]

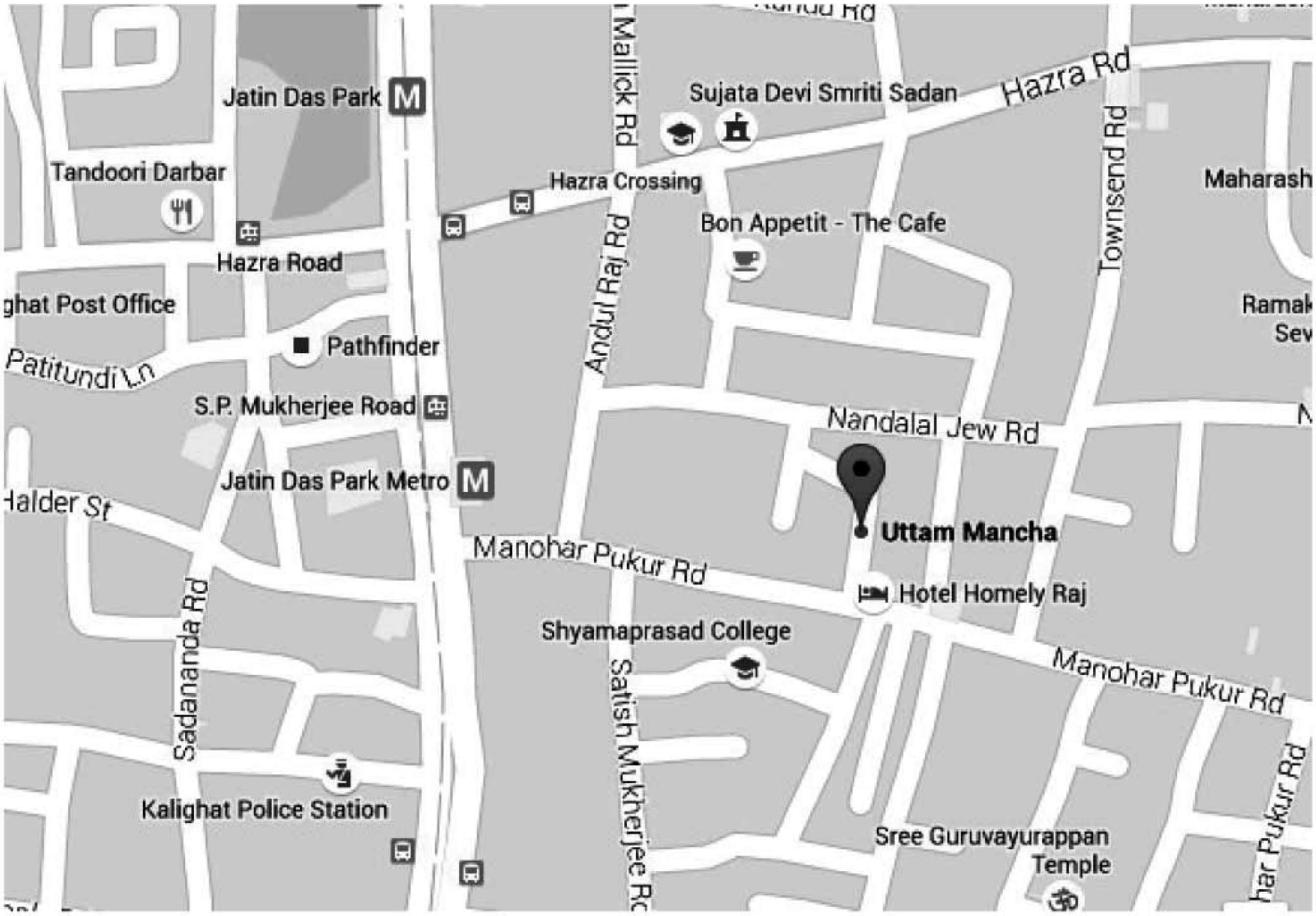
(As on 31.03.2017)

Name of the Director	**Shri Harsh V. Lodha**
Date of Birth	13.02.1967
Nationality	Indian
Date of first appointment on the Board of Directors of the Company	23.04.1996
Qualifications	Chartered Accountant
Expertise	Wide experience in Corporate Management including Finance and General Management functions
Number of shares held in the Company	1260*
List of directorships held in other companies	Alfred Herbert (India) Ltd. Birla Cable Ltd. Hindustan Gum & Chemicals Ltd. J.K. Fenner (India) Ltd. Punjab Produce Holdings Ltd. Universal Cables Ltd. Vindhya Telelinks Ltd.
Chairman/Member of the Committees of the Boards of other companies in which he is Director	**Chairman** *Stakeholders Relationship Committee –* Birla Corporation Limited **Member** *Audit Committee –* Punjab Produce Holdings Ltd.
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Nil
Number of meetings of the Board attended during the year 2016-17	5 (five)
Number of ESOPs granted	Not Applicable

NOTE: *Shares held jointly with other shareholder.

Directorships/Committee memberships exclude Alternate Directorships and Directorships in private/foreign companies and companies incorporated under Section 8 of the Companies Act, 2013. Further, the details of Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies is included.

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						
	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2005-06
OPERATING RESULTS									
Turnover	**384102**	**376159**	**369217**	**347792**	**299434**	**259682**	**243681**	**238707**	**143344**
Surplus before Depreciation, Finance									
Cost & Tax Expenses (EBITDA)	**51576**	46309	45755	38138	51995	47856	55502	84342	19187
Finance Cost	**13923**	8226	7837	8559	6486	5251	5263	2697	1362
Surplus after Finance Cost but									
before Depreciation &									
Amortisation & Exceptional Items	**37653**	**38083**	**37918**	**29579**	**45509**	**42605**	**50239**	**81645**	**17825**
Depreciation and Amortisation	**14719**	14847	15346	13258	10439	8000	6483	5564	3416
Exceptional Items	**682**	3149	1284	1093	–	–	–	–	–
Income/Deferred Tax/Income Tax Refund (Net)	**852**	3318	3744	2252	8088	10684	11768	20363	1833
Net Profit	**21400**	16768	17544	12976	26982	23921	31988	55718	12576
Dividend Payout	**5561**	5561	5561	5406	6292	5370	5377	5395	1976
Dividend Percentage	**60.00**	60.00	60.00	60.00	70.00	60.00	60.00	60.00	22.50
Retained Earning	**15839**	**11207**	**11983**	**7570**	**20690**	**18551**	**26611**	**50323**	**10600**
ASSETS & LIABILITIES									
Fixed Assets :									
Gross Block	**236800**	224084	327139	307691	290887	271073	220945	175779	112821
Net Block	**207285**	209253	204527	200652	196140	186216	143393	102645	53037
Other Assets	**434436**	313588	294599	286060	256409	219745	216911	190390	42807
Total Assets	**641721**	**522841**	**499126**	**486712**	**452549**	**405961**	**360304**	**293035**	**95844**
Represented by :									
Share Capital	**7701**	7701	7701	7701	7701	7701	7701	7701	7701
Reserves & Surplus	**309712**	284836	254710	244907	237305	216637	198091	171422	30723
Net Worth	**317413**	**292537**	**262411**	**252608**	**245006**	**224338**	**205792**	**179123**	**38424**
Borrowings	**185672**	93244	124261	107941	117527	112433	93769	70919	27178
Other Liabilities & Provisions	**138636**	137060	112454	126163	90016	69190	60743	42993	30242
Total Liabilities	**641721**	**522841**	**499126**	**486712**	**452549**	**405961**	**360304**	**293035**	**95844**
Key Indicators									
Earning per Ordinary Share (`)	**27.79**	21.78	22.78	16.85	35.04	31.06	41.54	72.36	16.33
Cash Earning per Ordinary Share (`) (annualised)	**48.01**	45.38	48.23	36.99	59.10	41.45	49.96	79.58	18.20
Net Worth per Ordinary Share (`)	**412.17**	379.87	340.77	328.00	318.17	291.33	267.24	232.61	49.90
Debt Equity Ratio (on long-term loans)	**0.58:1**	0.27:1	0.42:1	0.26:1	0.39:1	0.34:1	0.29:1	0.23:1	0.32:1
Current Ratio	**2.03**	2.86	3.65	2.58	2.21	2.51	2.64	1.96	1.03

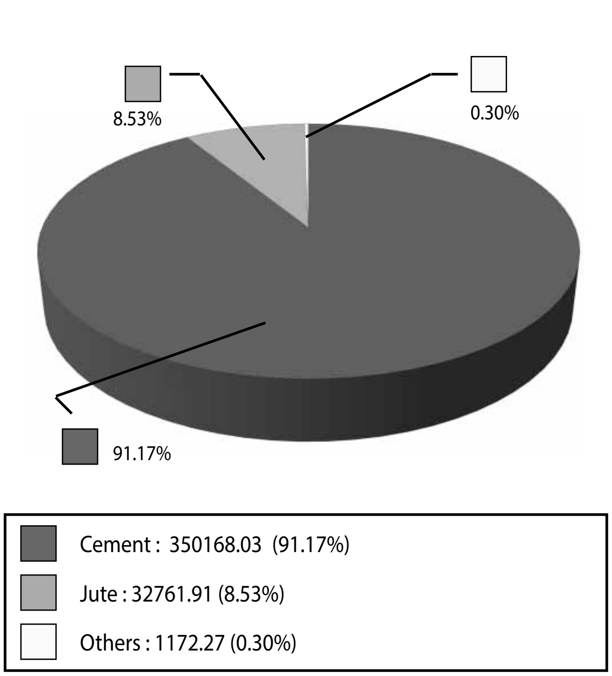
SOURCES AND APPLICATION OF FUNDS

(` in Lacs)

SOURCES OF FUNDS		As per IND AS		As per Indian GAAP			
		2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1.	Generation from operations-						
	Surplus/(Deficit) after taxes	21400	16768	17544	12976	26982	23921
	Depreciation	14719	14847	15346	13258	10439	8000
	Deferred Tax	(2187)	(1413)	1316	2252	5844	4073
		33932	30202	34206	28486	43265	35994
2.	Borrowings (Net)	92427	(30175)	16320	(9586)	5094	18664
3.	Reduction in working Capital	5722	41997	–	10572	910	–
4.	Increase/(Decrease) in Reserves	9037	(2383)	(2166)	33	–	17
		141118	**39641**	**48360**	**29505**	**49269**	**54675**
APPLICATION OF FUNDS		**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
1.	Fixed Assets	12752	19692	19675	17772	20385	50844
2.	Investments	(102547)	14388	(1610)	6327	22592	(12452)
3.	Increase in Working Capital	–	–	24734	–	–	10913
4.	Dividend	5561	5561	5561	5406	6292	5370
5.	Investment in Subsidiaries	225352	–	–	–	–	–
		141118	**39641**	**48360**	**29505**	**49269**	**54675**

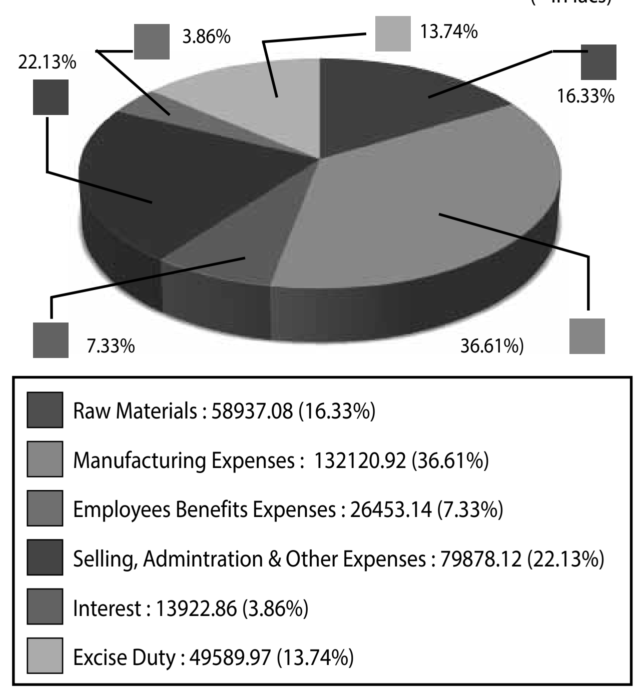
Statement of Sales by activities 2016-17

(` in lacs)



Revenue Distribution 2016-17

(` in lacs)



DIRECTORS' REPORT & MANAGEMENT DISCUSSION & ANALYSIS

To the Shareholders,

Your Directors have the pleasure in presenting the 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, 2017.

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*			
	31.03.2017		31.03.2016		31.03.2017		31.03.2016	
Revenue from Operations (Gross)		3,841.02		3,761.59		4,981.22		3,761.59
Total Revenue		3,985.55		3,938.81		5,127.76		3,938.98
Profit before Finance Costs, Tax, Depreciation, Amortization and Exceptional items		515.76		463.09		769.41		463.46
Finance Costs		139.23		82.26		276.79		82.26
Profit before Tax, Depreciation, Amortization, Minority Interest and Exceptional items		376.53		380.83		492.62		381.20
Depreciation and Amortization Expense	147.19		148.47		255.50		148.76	
Exceptional items	6.82		31.49		6.82		31.49	
Tax Expense (Net)	8.52	162.53	33.19	213.15	10.83	273.15	33.22	214.47
Profit for the year		214.00		167.68		219.47		167.73
Surplus as per Financial Statements (Including Retained Earnings)		373.72		342.65		371.17		340.05
Appropriations :								
Debenture Redemption Reserve		15.83		10.00		15.83		10.00
Dividend paid on Ordinary Shares		46.20		46.20		46.20		46.20
Corporate Div. Tax on Dividend		9.41		9.41		9.41		9.41
General Reserve		150.00		71.00		150.00		71.00
Net Surplus		**366.28**		**373.72**		**369.20**		**371.17**

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

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, 2017 aggregating to ` 60.24 crores (including Corporate Dividend Tax of ` 10.19 crores) as compared to ` 55.61 crores (including Corporate Dividend Tax of ` 9.41 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/policy/dividend-distribution-policy.pdf.

TRANSFER TO RESERVES

The Company proposes to transfer an amount of `150.00 crores to the General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2017 stood at ` 77.01 crore. 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, 2017, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

FINANCIAL STATEMENTS

ADOPTION OF IND AS :

As mandated by the Ministry of Corporate Affairs, the Company has adopted the IND AS for the Financial Year commencing from 1st April, 2016. 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, 2017.

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 and the date of this Report.

ACQUISITION OF CEMENT BUSINESS OF RELIANCE INFRASTRUCTURE LIMITED

Pursuant to signing of definitive share purchase agreement with Reliance Infrastructure Limited for acquisition of its entire cement business, the Company completed the process of acquisition by acquiring 100% equity shares of Reliance Cement Company Private Limited (RCCPL) on 22nd August, 2016. After this acquisition, RCCPL became a wholly owned subsidiary of Birla Corporation Limited. The acquisition was funded through existing cash reserves and incremental debt.

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 valuable mineral concessions access to 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 foreseeable future.

Since the take-over of RCCPL, considerable efforts has been made by the management for improving its operational efficiencies which has led to significant improvement in all parameters across the board. The plants of RCCPL have started performing at strong operating parameters which are comparable with the benchmarks in the industry. This has helped the Company achieve EBIDTA in excess of ` 1,100 per ton during the fourth quarter, which is among the highest in the industry, despite softness in some of its markets both in terms of volume and realization.

Measures being undertaken by us such as installation of Waste Heat Recovery System and despatches by rail in its grinding unit in Uttar Pradesh are expected to aid in further reduction in cost and increasing volumes.

1.1 CEMENT DIVISION

(a) **Industry Structure and Developments :**

India is the second largest producer of cement in the world. India's cement industry is a vital part of its economy, providing employment to more than a million people, directly or indirectly. Ever since it was deregulated in 1982, the Indian cement industry has attracted huge investments, both from Indian as well as foreign investors.

The country has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. India's cement demand is expected to reach 550-600 Million Tonnes Per Annum (MTPA) by 2025. 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. India has the largest homeless population in the world and the rural housing offers a huge opportunity.

The cement sector is slowly heading for a major consolidation as Greenfield projects are becoming difficult to set up due to increased impediments in areas like availability of limestone mineral concessions, land acquisition and environmental and operational issues. This has led to consolidation in the cement industry. Going forward, the acquisition space in the industry is expected to gather steam, with organic growth becoming difficult and opportunities arising due to various companies opting to liquidate assets to deleverage.

New capacity addition continue to dip for sixth straight year as players postpone capacity addition in view of the subdued demand and low capacity utilization. The Industry continues to suffer due to over capacity with pan India industry capacity utilization hovering around 70%.

(b) **Review of Performance :**

Production of the Company :
The details of production of clinker and cement at various locations of the Company are as follows :-

	2016-17 (Lac Ts.)	2015-16 (Lac Ts.)	Change %
Clinker production			
Satna	25.54	28.61	(10.73)
Chanderia	26.41	22.52	17.27
Total	**51.95**	**51.13**	**1.60**

	2016-17 (Lac Ts.)	2015-16 (Lac Ts.)	Change %
Cement production			
Satna	21.47	24.27	(11.54)
Raebareli & Raebareli Hitech	7.03	6.50	8.15
Chanderia	35.45	35.92	(1.31)
Durgapur	14.84	14.70	0.95
Total	**78.79**	**81.39**	**(3.19)**
Blended Cement	**64.20**	**67.43**	**(4.79)**
% of total cement production	**81.48**	**82.85**	**(1.37)**

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

The details of production of clinker and cement of various Units of Reliance Cement Company Private Limited from 22nd August, 2016 to 31st March, 2017 are as follows :-

	(Lac Ts.)
Clinker production	
Maihar	17.05
Total	**17.05**

Cement production	
Maihar	12.90
Kundanganj	8.25
Butibori	1.38
Total	**22.53**

Sales :

During the year under review, your Company has registered a Reduction of about 3% in cement sales on standalone basis. In absolute terms, the sale of cement has decreased to 78.29 Lac tons compared to 80.36 Lac tons in the previous year.

Reliance Cement Company Private Limited has sold 22.50 Lac tons of cement during the period from 22nd August, 2016 to 31st March, 2017.

Power Plant :

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

	2016-17 (Lac Units)	2015-16 (Lac Units)	Change %
Thermal Power Plant :			
Satna	1708.73	1845.26	(7.40)
Chanderia	1981.31	1544.98	28.24
WHRS :			
Satna	635.43	860.83	(26.18)
Chanderia	447.07	333.06	33.03
Solar Power:	27.18	29.00	(6.27)

Cost and Profitability :

The profitability of the Company continued to be affected on account of suspension of normal mining operations (with blasting) at Chanderia, the unit had to outsource limestone at significantly higher prices. Though the unit raised substantial quantity of limestone by mechanical means, the same was still short of requirement.

The Company was able to maintain the profit during the year despite substantial increase in borrowing cost and reduction in treasury income due to borrowings and deployment of cash reserves for acquisition of Reliance Cement Company Private Limited.

This was a result of several initiatives taken by the Company for improving operational efficiencies in various areas.

Use of pet coke in the thermal plant at Chanderia and higher usage at the kiln at Satna resulted in substantial savings. Alternate fuels were used at both Satna and Chanderia resulting in reduction of fuel cost. The use of high purity imported gypsum and higher use of additives, such as fly ash and slag, reduced the cost of production and improved the quality of cement. Other operational parameters at the plants also improved. All these contributed to better performance by the Cement Division.

Pet coke prices have almost doubled to $85-90 a tonne from $48 a tonne in March 2016. The Company benefited on account of the lower cost of pet coke during the first half of the financial year. The operating costs could be brought down as a result of operational efficiencies, a judicious fuel mix and lower fuel prices.

Freight costs, another key cost for the industry also increased as railway imposed railway surcharge and also raised tariffs. However, the Company could economise the cost of transportation by way of proactive intervention by the Management by optimization of lead distance of despatches and bringing in change in the rail-road mix.

Cement demand and prices :

After a spurt in the first quarter, the Cement demand contracted in the second quarter. The core markets that the Company operates in were extensively affected by heavy monsoons, with many areas in Rajasthan and Madhya Pradesh hit by floods. Despite the adverse scenario, the Company maintained its market share in relevant geographies while improving net realization through a slew of initiatives such as geo-mix optimization, focus on premiums and distribution efficiencies, through measures such as increasing direct dispatches from plants with dedicated GPS-controlled vehicles.

The demand for cement suffered a setback during the third quarter on account of demonetization as a large portion of the cement trade in the secondary and tertiary market particularly in North and Central India where the operations of the Company are concentrated, were traditionally transacted in cash. The cement prices in February 2017 were quoting below the average prices that prevailed in regional markets in October 2016, before demonetisation. Towards the end of the fourth quarter, the impact of demonetization was seen tapering off with the demand as well as the prices showing a rising trend.

The State elections in Uttar Pradesh in March 2017 saw new projects being postponed or put on hold. Construction activities in large projects were impaired by an embargo on sand and aggregates mining in large parts of the State.

Owing to low demand, prices remained depressed in all markets, with competition intensifying and large volume players undercutting on prices. In response to the adverse market conditions, the Company, on one hand, focused on protecting market shares while working on measures to arrest slide in price realization with a series of marketing and commercial initiatives.

The overall demand for cement improved though marginally, during the year on the back of the seventh Pay Commission pay hike, and various other policy initiatives announced by the government.

During April' 2017, Average Pan-India cement prices continued to increase for third consecutive month by 7.5% m-o-m, at the fastest pace in last three years. The East, North and Central regions witnessed healthy price increase in the range of 5-7%.

(c) Premium Brand Cement :

(i) **Birla Samrat Unique Cement :**

Since the introduction of the premium quality Portland Slag Cement (PSC) brand, Birla Samrat UNIQUE, in Eastern India in 2011, its market share has been witnessing steady improvement. Presented in pilfer and weather-proof packing, the finer grains of UNIQUE give higher compressive strength and larger surface area coverage. It has lower water absorption and silica-rich slag, ensuring dense and durable concrete.

(ii) **Birla Samrat Ultimate Cement :**

The fly ash-based, premium Portland Pozzolana Cement (PPC) brand, Birla Samrat ULTIMATE Cement, introduced in 2014, has received market acceptance in both eastern and central regions. Based on the Complete Particle Size Distribution (CPSD) technology, the "double refined" cement is being marketed in tamper-proof packaging. The product is corrosion-resistant, cohesive and has low alkali properties. Trade associates have welcomed the premium product since it has been catering to the demands of discerning consumers.

Both UNIQUE and ULTIMATE cements, being premium brands, have been fetching higher prices than the Company's normal brands, contributing to profitability.

(iii) **M P Birla Cement CONCRECEM and Multicem PPC:**

Keeping in view the rapid growth in infrastructure and projects, the Company launched new-age cement brands, M P Birla Cement CONCRECEM (OPC 43 & 53 grades) and MULTICEM (fly ash-based PPC) in March 2017. These products are particularly suitable for large commercial, industrial, infrastructural and real estate projects. CONCRECEM has been engineered to offer strength, durability and faster construction time. MULTICEM is a BIS-certified PPC cement, specially engineered for infrastructural development. It is manufactured using the latest cement manufacturing technology and ultra-modern techniques.

(iv) **MP Birla Perfect Cement :**

Reliance Cement Company Private Limited, a wholly owned subsidiary of Birla Corporation Limited started the exercise of rebranding of the 'Reliance Perfect Cement' brand as 'MP Birla Perfect Cement' during the fourth quarter. The MP Birla Perfect Cement launch was supported by an extensive marketing communication on mass media and at the point of sale. A key differentiator was the technical services offered to customers through a large fleet of mobile laboratories, equipped with latest construction testing equipments. The campaign has been well received in the markets and the transition of brand has been seamless. The initiative is expected to provide impetus to increase volumes and maintain the premium pricing of the brand in the trade segment.

(d) 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 was last heard in the month of September, 2016 and thereafter no further Orders for listing has been passed.

In the meanwhile, with a view to increase the mining capacity by mechanical means, the Company has taken measures to install additional equipments. However, the process of learning and stabilizing the operation with the use of new equipments is continuing, since the process of mechanical mining of limestone is difficult, being tried for the first time in India at such scale.

(e) Threats, Risks and Concerns :

The sector has witnessed rising input costs such as prices of pet coke and coal, which have almost doubled since March 2016, while the increase in crude oil prices are also likely to lead to an increase in diesel prices. With regard to real estate sector, no significant turnaround in demand in the near term is visible.

Setting up new cement capacity is becoming more challenging due to tougher mineral concession acquisition process of auction, land acquisition process, increased gestation period and requirement of several regulatory clearances.

Lack of adequate availability of sand, which is a key input for construction, in certain parts of the country is one of the major concerns of the Industry which is impacting demand of cement.

Goods and Services Tax (GST), slated to be introduced w.e.f. 1st July, 2017 is expected to usher in a uniform tax regime which would play a critical role in the next level of growth and realise full extent of country's potential. It is estimated that India will gain $15 billion a year by implementing GST. In line with the Government's slogan of "One Nation, One Tax," the culmination of all indirect taxes under one GST bracket will facilitate seamless transfer of goods and services across the country, create a unified national market and help to mitigate the cascading effects of taxes, leading to reduced prices of the goods and services to the end users. However, the high taxes, administrative and compliance burden continues to remain a major concern for cement industry, cement along with steel, constitute important raw materials for infrastructure and real estate sector. As per the recent announcements made by GST Council, while the rate for Cement would be taxed at 28% the rate for steel has been kept lower at 18%.

Currently, there is no customs duty on cement import, which is an area of concern as this provides encouragement for import of cement which impacts domestic industry and adds to the demand and supply mismatch.

The manufacture of cement is an energy intensive process requiring large quantities of thermal and electrical energy. Coal and pet coke are the principal fuels used by the Indian cement industry to produce thermal energy. The Company requires substantial quantity of coal and pet coke to meet the requirements of its kilns and captive power plants. Linkage coal has continued to be in short supply, leaving the Company to source its requirements at higher prices from the domestic open market and from imports. In recent years, pet coke emerged as a viable substitute for coal on account of attractive prices and supply. There is a likelihood that the prices of both coal and pet coke would increase significantly. Availability of sand, grit & bricks is a major area of concern. The Government Policies in this regard may also affect the construction activity.

(f) Opportunities and Outlook :

Various schemes of the Government such as assignment of infrastructure status to affordable housing projects, increased allocation to rural low-cost housing, interest subvention in housing loans up to certain limits, in line with Government's aim to provide housing for all by 2022 are all expected to boost cement demand.

India's potential in infrastructure is vast and cement plays a vital role in growth and development of the nation. Cement companies are bullish about demand on account of the government's focus on infrastructure and housing sector in the Union Budget. It is believed that a 38 per cent and 23 per cent increase in the allocation of funds towards the housing sector under Pradhan Mantri Awas Yojna and spending of the Ministry of Road Transport and Highways to ` 230 billion and ` 649 billion, respectively, would increase cement demand in Financial Year 2017-18. Cement comprised 30 per cent of the cost of laying a road and the budgetary allocation would translate into a ` 194.70 billion opportunity for the sector.

In addition, higher allocation to MNEGRA Scheme will increase rural income and have a catalytic effect on rural consumption. Measures such as increased planned outlay on railways and Metro Rail, increase in farm credit to indirectly support demand from rural housing, infrastructure led investments and pick-up in housing (supported by interest incentives and industry status to affordable housing) will help the cement industry as it will lead to increased and sustained levels of cement consumption.

If financial year 2017-18 experiences a normal monsoon, GDP growth is likely to rebound in the second half of the year. Better liquidity and improves tax collections will enhance government's ability to spend on infrastructure and other development projects, leading to faster growth.

The overall prices of cement has also recently moved up to the pre-demonetization level following successive hikes across the western, eastern and southern markets even as rates in the north have recently remained steady. This is on account of improvement in demand after an unexpected fall towards the end of 2016.

With continuing operation excellence programs, combined with its segmented marketing and value added special cements products and building solutions, the company is well placed to benefit from the plans being initiated by the Government. Increase in customer engagement through innovative marketing schemes (like Trade Loyalty Programme) and enhanced technical support activities are beginning to show results both in terms of channel preference and price positioning of the Company's brands in the market.

Demand growth is expected to accelerate in the medium term to 6-7% through 2020 driven by numerous government led initiatives as per a leading research agency report.

1.2 JUTE DIVISION

(a) Industry Structure and Developments :

Jute Industry is concentrated in the State of West Bengal. It plays a vital role in the economy of the state. Jute Industry supports over 200000 workers and over 3 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 annual production.

Standing Advisory Committee, constituted under Jute Packaging Materials (Compulsory use in Packing Commodities) Act 1987, in its latest meeting have decided to reduce compulsory use of jute bags for packaging of foodgrains each year by 5% so as to reach 50% norms by 2024-25. This recommendation if accepted by Cabinet will result in substantial loss of demand of jute products unless alternate usage of jute product emerges.

(b) Performance :

Jute Division has reported excellent results during the year. It has reported highest ever turnover and profit. The improved performance of the Jute Division is attributed to the following factors :

i) large investment made in recent past for modernization,

ii) continual improvement in productivity,

iii) emphasis on increasing share of value added product market selection,

iv) managing raw jute stock in times of wide fluctuating market price etc.

Production & Despatch

PARTICULARS	2016-17	2015-16	CHANGE %
Production of Jute Goods (MT)	37367	38024	-1.72%
Dispatches of Jute Goods (MT)			
a) Domestic	31753.12	34957.21	-9.17%
b) Export	4691.58	4335.95	8.20%

Since December 2015 the specification of B Twill bags has been changed and bag weight has been reduced from 665 gram/bag to 580 gram/bag. Production during the current year is lower due to above said reason because with same man and machine resource is required for manufacturing 580 grams bags as is required for 665 grams bags.

Sales

PARTICULAR	2016-17 (` in Lacs)	2015-16 (` in Lacs)
Net Sales		
a) Domestic	27,901.64	27,253.42
b) Export	4,364.81	3,666.69
FOB Value	4,266.29	3,578.09

(c) Opportunities and Threats, Risks and Concern :

Duty free imports from Bangladesh and Nepal have been a constant threat to the Indian Jute Industry. However, Anti-Dumping Duty (ADD) was imposed on jute products (namely, Jute Yarn/Twine, Hessian fabric and Jute sacking bags) originating from these countries w.e.f 5th January 2017. As a result imports of these products have reduced substantially. However, the said ADD is being circumvented by export of sacking clothes which are subsequently converted to bags.

Based on the current level of import, the industry has estimated that this is likely to generate up to 2 lacs MT of additional demand for jute goods to be met by the Indian jute industry.

Jute manufacturing is a labour intensive process and requires huge labour force. Jute industry was always dependent on labour availability 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 increase in cost of production per unit.

(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 a 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 recent past and continual emphasis on modernization and product diversification will help it to sail through the troubled times in an efficient manner.

1.3 VINDHYACHAL STEEL FOUNDRY

Steel Foundry produces iron & steel castings primarily for internal consumption. The total production of castings during the year has been 913 Ts. as against 1083 Ts. in the previous year. The total sale of castings during the year was 824 Ts. (including 730 Ts. inter departmental transfer) as against 1037 Ts. (including 884 Ts. inter departmental transfer) in the previous year.

CAPITAL EXPENDITURE

Satna & Raebareli :

- Projects for development of storage and transportation of alternative fuel commissioned in Satna Unit during the year.
- Secondary air system was installed at Boiler No. 2 of 27 MW Thermal Power Project at Satna.
- At Satna unit, Air Cooled Condenser system at 27 MW is expected to commission in 2017-18.
- Secondary crusher at Raw Ball Mill circuit at Birla Vikas Cement, Satna is expected to be commissioned in 2017-18.
- Modification of Vertical Raw Mill (VRM) completed at Raebareli Unit during the year.

Chanderia :

- Modification of Cement Mill Circuit was completed during the year.
- Conventional Luminaries were replaced by LED lights.
- Alternate fuel firing system was completed at Chanderia Cement Works.
- Carbon Black feeding system feeding to coal VRM was installed at Chanderia Cement Works.
- 3 nos. hanging type truck loading machine were installed at Chanderia Cement Works.
- Cross Belt analyzer of outsourcing Limestone completed during the year.
- Various projects to meet the emission norms and for reduction of NOX will be completed by March, 2018.

Durgapur :

- Upgradation of Coal Mill and installation of Flyash at Steel Silo were completed during the year at Durgapur Cement Works.

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 2016-17 forms part of the Corporate Governance Report. The number of meetings attended by each Director during the financial year 2016-17 also forms part of the Corporate Governance Report.

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, 2017, 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 2016-17 and of the profit for the year ended 31st March, 2017;

(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, 2017, 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 rated 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 rating of "AA" (Outlook: Stable) for Long Term Non-Convertible Debentures of the Company of ` 400 crores.

Further, Credit Analysis and Research Limited (CARE) has also rated "CARE AA" (Outlook : Stable) rating for the Company's Long Term Bank facilities and "CARE A1+" (Outlook: Stable) for the Company's Short Term Bank facilities aggregating to ` 1898 crores. The rating Committee of CARE has assigned "CARE AA" (Outlook : Stable) for the outstanding Non-Convertible Debentures of ` 680 crores.

FINANCE

During the year the Company has repaid Secured Redeemable Non-Convertible Debentures aggregating to ` 120 crores and has further raised Secured Redeemable Non-Convertible Debentures of ` 400 crores on private placement basis for the purpose of acquisition of Reliance Cement Company Private Limited.

Further, 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 liability management so as 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 Corporate Governance, along with certificate from the auditors confirming the compliance of conditions of Corporate Goverance, is annexed and forms part of the Annual Report.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 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 with Promoters, Directors, Key Managerial Personnel or other designated persons 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/related-party-transactions-policy.pdf.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under 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 the "**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, location, quality, market, litigation, logistics, project execution, financial, human resources, environment and statutory compliance.

AWARDS & RECOGNITIONS

During the year, Company's Cement Unit: Chanderia Cement Works has received "Certificate of Excellence" in maintaining harmonious employer and employee relation, effective productivity levels and Corporate Social Responsibility by the Employers' Association of Rajasthan, Jaipur.

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 & 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 in the conspicuous places at the factory including work places, 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/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 thousands 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 Company is financially and otherwise contributing to M/s Madhav Prasad Priyamvada Birla Apex Charitable Trust for construction of a 200 beds multi speciality Hospital namely "M. P. BIRLA HOSPITAL & RESEARCH CENTRE" which is situated near the cement plant of the Company at Chittorgarh, Rajasthan. The total built up area of the hospital and housing building is approximately 2.00 lacs 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 will be engaged in hospital duty.

The agencies engaged for Civil, Electricals, Plumbing & Fire Fighting, HVAC (Air Conditioners), Elevators, DG Sets, UPS, Medical Gas Pipe Line Systems, Central Sterile Services Department, Modular Operation Theatre, Solar Water Heater and other such agencies required for the construction of the Hospital are working simultaneously and satisfactorily. The Interior & Furniture Contractors are also doing their job along with other agencies engaged for the project. Almost 75% of the construction and finishing work have been completed.

Initiatives are being taken to invite quotations for Equipment for the Hospital. Measures are being taken for appointment of Doctors, Technicians and paramedical Staff. It is expected that the hospital shall start operation in the later half of 2017.

With a capacity of up to 200 beds, the hospital will initially commence operations with 100 beds and would have, in phases, 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, Ophthalmology amongst others.

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, carried out free treatment of Asthma and Cancer, provided 1000 nos. baby kits for newly born babies to improve health, hygiene and reducing death rate. Doctors team from Company's dispensary regularly visit nearby villages at our plant 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. The Company also provides scholarships and conducts other educational programme including vocational and summer training to management, engineering and other students on regular basis. Computer training is also being provided to the students. Students from various institutions are allowed to visit the plant and study the system as a part of their education.

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. The initiatives include income generating activities such as 'Sewing Training Programmes' and educating them about the stitching and distribution of sewing machines free of cost. Necessary training and support is provided to women self-help groups under the projects to make them self reliant. The Company also organises Rural Women Sports Meet in which women of various villages surrounding Company's mining area participate.

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.

05] **Promotion of rural sports :**

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] **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, contribution to mass marriages, 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 Stop Dam. The Company has made contribution towards various art and cultural activities including that of Meera Mahotsav and Dashera Mela. Also contributed installing solar lights and arranged proper lightening facilities on the roads of villages. The Company also financially supported construction activities including those for community hall, boundary wall and rooms for villagers.

07] **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.

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 pioneering move had ensured the availability of alternative fuel throughout the year and has resulted in reduction of fuel cost and also helped in reducing the carbon footprint.

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.

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. SO_2 & 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 10.15 lac tonnes of Fly ash during the year 2016-17 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 Harsh V. Lodha (DIN: 00394094), Chairman retires from the Board by rotation and being eligible, offers himself for re-appointment.

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

Key Managerial Personnel (KMP)

The following are the Key Managerial Personnel of the Company:

1. Shri B.R. Nahar: Managing Director
2. Shri P. Majumdar: Wholetime Director designated as Chief Management Advisor
3. Shri A. Saraogi: Chief Financial Officer
4. Shri G. Sharma: Company Secretary

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

During the year under review, Reliance Cement Company Private Limited (RCCPL) has become a wholly owned material subsidiary of the Company w.e.f. 22nd August, 2016. As on 31st March, 2017, the Company is having 7 (seven) subsidiary companies along with 2 (two) associate companies.

Since the acquisition of RCCPL on 22nd August, 2016, considerable efforts have been made for improving the operational efficiencies of RCCPL. The plants of RCCPL have started performing at strong operating parameters which are comparable with the benchmarks in the industry. Measures are being taken to further improve operational efficiencies which include installation of Waste Heat Recovery System (WHRS) and removal of infrastructural bottlenecks. This will enable the Company obtain greater synergy benefits.

The 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 Balance Sheet.

No company has become a joint venture during the financial year 2016-17.

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 forming 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 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.

The Company had 5978 permanent employees on its rolls at the close of business hours on 31st March, 2017. 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 Workplace (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 Auditor :

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, the term of office of Messrs H.P Khandelwal & Co., Chartered Accountants, the Statutory Auditors of the Company will conclude from the conclusion of the ensuing Annual General Meeting (AGM) of the Company. The Board of Directors places on record its appreciation to the services rendered by Messrs H.P Khandelwal & Co., as Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Messrs. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W), as Statutory Auditors of the Company for a term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of the 102nd AGM to be held in 2022, subject to ratification of their appointment by Members at every subsequent AGM till the conclusion of their tenure.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from Messrs. V. Sankar Aiyar & Co. Further, Messrs. V. Sankar Aiyar & Co., Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

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 2017-18 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 AGM.

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 Board of Directors places on record its appreciation to the services rendered by Shri Somnath Mukherjee, Cost Accountant, who were Cost Auditor of the Company for the financial year 2016-17.

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

Secretarial Auditor :

The Board had appointed Ms. Mamta Binani, Practising Company Secretary to conduct Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report for the Financial Year ended 31st March, 2017 is annexed herewith and marked as "**Annexure - F**". The Report is self-explanatory and do not call for any comments.

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).

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
Kolkata,	(DIN : 00394094)	(DIN : 00049895)

Dated, the 26th day of May, 2017

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE – 'A'

DIVIDEND DISTRIBUTION POLICY

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, 2017

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 6726/ 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	91% 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 Cements 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)

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 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% 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	11053748	0	11053748	14.35	0.00
Sub Total (A1) :	**48427671**	**6520**	**48434191**	**62.90**	**48427671**	**6520**	**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**	**48427671**	**6520**	**48434191**	**62.90**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	10519227	1400	10520627	13.66	10170479	2440	10172919	13.21	-0.45
b) Banks / FI	9812	17538	27350	0.04	9170	16498	25668	0.03	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	4094141	500	4094641	5.32	2972317	500	2972817	3.86	-1.46
g) FIIs	937522	100	937622	1.22	1754359	100	1754459	2.28	1.06
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) :	**15560702**	**19538**	**15580240**	**20.23**	**14906325**	**19538**	**14925863**	**19.38**	**-0.85**

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	8153416	4441	8157857	10.59	6183115	4440	6187555	8.04	-2.56
ii) Overseas	57999	0	57999	0.08	0	0	0	0.00	-0.08
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lac	1916790	550041	2466831	3.20	3906464	524287	4430751	5.75	2.55
ii) Individual shareholders holding nominal share capital in excess of ` 1 lac	1509884	10510	1520394	1.97	1768207	10510	1778717	2.31	0.34
c) Others (specify)									
i) Non Resident Individuals	124715	10592	135307	0.18	194650	10592	205242	0.27	0.09
ii) Trusts and Foundations	652528	0	652528	0.85	1043028	0	1043028	1.35	0.51
Sub-total (B)(2) :	**12415332**	**575584**	**12990916**	**16.87**	**13095464**	**549829**	**13645293**	**17.72**	**0.85**
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)	**76403705**	**601642**	**77005347**	**100.00**	**76429460**	**575887**	**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 01.04.2016)			No. of Shares held at the end of the year (as on 31.03.2017)			% 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 Ericsson Optical Limited	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
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

ANNEXURE TO DIRECTORS' REPORT (Contd.)

SL. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2016)			No. of Shares held at the end of the year (as on 31.03.2017)			% 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	
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**

*Administrator changed on 14.03.2017 from Justice R. V. Raveendran to Justice Ajit Prakash Shah

iii) Change in Promoters' Shareholding

Sl . No.		Shareholding at the beginning of the year (as on 01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		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 Promoters' 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 (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	3805519	4.94	01.04.2016				
				22.07.2016	-18435	Transfer	3787084	4.92
				29.07.2016	-16849	Transfer	3770235	4.90
				05.08.2016	-61071	Transfer	3709164	4.82
				12.08.2016	-246902	Transfer	3462262	4.50
				19.08.2016	-56743	Transfer	3405519	4.42
				09.09.2016	-61767	Transfer	3343752	4.34
				16.09.2016	-27244	Transfer	3316508	4.31
				23.09.2016	-132400	Transfer	3184108	4.13
				30.09.2016	-128589	Transfer	3055519	3.97
				14.10.2016	-65000	Transfer	2990519	3.88
				21.10.2016	-134703	Transfer	2855816	3.71
				28.10.2016	-96183	Transfer	2759633	3.58
				04.11.2016	-44656	Transfer	2714977	3.53
				11.11.2016	-6805	Transfer	2708172	3.52
		2708172	3.52	31.03.2017			2708172	3.52
2	ICICI PRUDENTIAL VALUE DISCOVERY FUND	2900000	3.77	01.04.2016				
				03.03.2017	-20118	Transfer	2879882	3.74
				10.03.2017	-28640	Transfer	2851242	3.70
				17.03.2017	-252298	Transfer	2598944	3.38
				24.03.2017	-164326	Transfer	2434618	3.16
		2396021	3.11	31.03.2017	-38597	Transfer	2396021	3.11
3	MERLIN SECURITIES PVT LTD*	2151234	2.79	01.04.2016				
				15.07.2016	20000	Transfer	2171234	2.82
				09.09.2016	20000	Transfer	2191234	2.85
				23.09.2016	-49774	Transfer	2141460	2.78
				30.09.2016	-14976	Transfer	2126484	2.76
				07.10.2016	1418	Transfer	2127902	2.76
				14.10.2016	-3011	Transfer	2124891	2.76
				21.10.2016	-32057	Transfer	2092834	2.72
				28.10.2016	-4104	Transfer	2088730	2.71
				04.11.2016	-57432	Transfer	2031298	2.64
				11.11.2016	-1042	Transfer	2030256	2.64
				18.11.2016	-21008	Transfer	2009248	2.61
				25.11.2016	-104344	Transfer	1904904	2.47
				02.11.2016	-99274	Transfer	1805630	2.34

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				30.12.2016	-1840	Transfer	1803790	2.34
				13.01.2017	163	Transfer	1803953	2.34
				20.01.2017	-262	Transfer	1803691	2.34
				27.01.2017	-103787	Transfer	1699904	2.21
				03.02.2017	-128500	Transfer	1571404	2.04
				10.02.2017	-60439	Transfer	1510965	1.96
				17.02.2017	-2500	Transfer	1508465	1.96
				24.02.2017	-20000	Transfer	1488465	1.93
				03.03.2017	-12031	Transfer	1476434	1.92
				10.03.2017	-37287	Transfer	1439147	1.87
				17.03.2017	-235000	Transfer	1204147	1.56
				24.03.2017	-21801	Transfer	1182346	1.54
		1136318	1.48	31.03.2017	-46028	Transfer	1136318	1.48
4	HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	3180867	4.13	01.04.2016				
				13.05.2016	-118100	Transfer	3062767	3.98
				27.05.2016	-689127	Transfer	2373640	3.08
				30.06.2016	-100000	Transfer	2273640	2.95
				15.07.2016	-857000	Transfer	1416640	1.84
				22.07.2016	-100000	Transfer	1316640	1.71
				26.08.2016	-500000	Transfer	816640	1.06
				02.09.2016	-295640	Transfer	521000	0.68
				07.10.2016	-521000	Transfer	0	0.00
		0	0.00	31.03.2017			0	0.00
5	G K TRADING PVT LTD*	1237692	1.61	01.04.2016				
				10.06.2016	-6842	Transfer	1230850	1.60
				17.06.2016	-3158	Transfer	1227692	1.59
				08.07.2016	-10000	Transfer	1217692	1.58
				22.07.2016	-25000	Transfer	1192692	1.55
				16.09.2016	26252	Transfer	1218944	1.58
				23.09.2016	-12400	Transfer	1206544	1.57
				30.09.2016	-13852	Transfer	1192692	1.55
				07.10.2016	5894	Transfer	1198586	1.56
				21.10.2016	-2534	Transfer	1196052	1.55
				28.10.2016	-24692	Transfer	1171360	1.52

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				04.11.2016	-500	Transfer	1170860	1.52
				09.12.2016	-11988	Transfer	1158872	1.50
				16.12.2016	-5146	Transfer	1153726	1.50
				27.01.2017	-4062	Transfer	1149664	1.49
				03.02.2017	-10107	Transfer	1139557	1.48
				10.02.2017	-2927	Transfer	1136630	1.48
				17.02.2017	-17000	Transfer	1119630	1.45
				24.02.2017	-26535	Transfer	1093095	1.42
				03.03.2017	-5400	Transfer	1087695	1.41
				17.03.2017	-10000	Transfer	1077695	1.40
				24.03.2017	-23492	Transfer	1054203	1.37
		1054203	1.37	31.03.2017			1054203	1.37
6	LIFECYCLE INFOTECH PRIVATE LIMITED*	1214110	1.58	01.04.2016				
				03.06.2016	-3000	Transfer	1211110	1.57
				10.06.2016	-14083	Transfer	1197027	1.55
				17.06.2016	-9193	Transfer	1187834	1.54
				24.06.2016	-7000	Transfer	1180834	1.53
				30.06.2016	-1724	Transfer	1179110	1.53
				08.07.2016	-50000	Transfer	1129110	1.47
				29.07.2016	-50000	Transfer	1079110	1.40
				16.09.2016	7603	Transfer	1086713	1.41
				30.09.2016	73197	Transfer	1159910	1.51
				07.10.2016	-28800	Transfer	1131110	1.47
				14.10.2016	-4500	Transfer	1126610	1.46
				21.10.2016	-3050	Transfer	1123560	1.46
				28.10.2016	-5999	Transfer	1117561	1.45
				04.11.2016	-52932	Transfer	1064629	1.38
				11.11.2016	-13714	Transfer	1050915	1.36
				18.11.2016	30815	Transfer	1081730	1.40
				09.12.2016	9766	Transfer	1091496	1.42
				16.12.2016	-994	Transfer	1090502	1.42
				23.12.2016	-4820	Transfer	1085682	1.41
				30.12.2016	-8504	Transfer	1077178	1.40
				06.01.2017	-3399	Transfer	1073779	1.39

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				13.01.2017	-5393	Transfer	1068386	1.39
				20.01.2017	-29276	Transfer	1039110	1.35
				10.02.2017	-20000	Transfer	1019110	1.32
				17.02.2017	-7791	Transfer	1011319	1.31
				24.02.2017	-21475	Transfer	989844	1.29
				03.03.2017	-47467	Transfer	942377	1.22
				10.03.2017	-19885	Transfer	922492	1.20
				17.03.2017	-26186	Transfer	896306	1.16
				24.03.2017	-16308	Transfer	879998	1.14
		851310	1.11	31.03.2017	-28688	Transfer	851310	1.11
7	BRIJMOHAN SAGARMAL CAPITAL SERVICES PRIVATE LIMITED*	1051000	1.36	01.04.2016				
				24.06.2016	275000	Transfer	1326000	1.72
				30.06.2016	-200000	Transfer	1126000	1.46
				26.08.2016	-40425	Transfer	1085575	1.41
				02.09.2016	-100188	Transfer	985387	1.28
				09.09.2016	-5820	Transfer	979567	1.27
				23.09.2016	-103609	Transfer	875958	1.14
				30.09.2016	148260	Transfer	1024218	1.33
				07.10.2016	-11822	Transfer	1012396	1.31
				14.10.2016	-9665	Transfer	1002731	1.30
				21.10.2016	-22153	Transfer	980578	1.27
				28.10.2016	-17926	Transfer	962652	1.25
				04.11.2016	-12342	Transfer	950310	1.23
				16.12.2016	-16174	Transfer	934136	1.21
				23.12.2016	-11030	Transfer	923106	1.20
				13.01.2017	-28553	Transfer	894553	1.16
				20.01.2017	-9633	Transfer	884920	1.15
				27.01.2017	-21906	Transfer	863014	1.12
				03.02.2017	-28014	Transfer	835000	1.08
				10.02.2017	-3000	Transfer	832000	1.08
				24.02.2017	-17000	Transfer	815000	1.06
				03.03.2017	-12419	Transfer	802581	1.04
				10.03.2017	-18997	Transfer	783584	1.02
				17.03.2017	-33584	Transfer	750000	0.97
		750000	0.97	31.03.2017			750000	0.97

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
8	ICICI PRUDENTIAL INFRASTRUCTURE FUND	811431	1.05	01.04.2016				
				15.04.2016	-10100	Transfer	801331	1.04
				22.04.2016	-1710	Transfer	799621	1.04
				06.05.2016	-75355	Transfer	724266	0.94
				13.05.2016	-166517	Transfer	557749	0.72
				27.05.2016	-43650	Transfer	514099	0.67
				03.06.2016	-395243	Transfer	118856	0.15
				10.06.2016	-118856	Transfer	0	0.00
		0	0.00	31.03.2017			0	0.00
9	MOTILAL GOPILAL OSWAL	790000	1.03	01.04.2016				
				27.05.2016	-790000	Transfer	0	0.00
		0	0.00	31.03.2017			0	0.00
10	RELIANCE CAPITAL TRUSTEE CO LTD-A/C RELIANCE MID & SMALL CAP FUND	674702	0.88	01.04.2016				
				13.05.2016	200000	Transfer	874702	1.14
				20.05.2016	100000	Transfer	974702	1.27
				27.05.2016	250000	Transfer	1224702	1.59
				10.06.2016	84753	Transfer	1309455	1.70
				17.06.2016	13104	Transfer	1322559	1.72
				04.11.2016	-98989	Transfer	1223570	1.59
				11.11.2016	15692	Transfer	1239262	1.61
				18.11.2016	15000	Transfer	1254262	1.63
				27.01.2017	-54282	Transfer	1199980	1.56
		1199980	1.56	31.03.2017			1199980	1.56
11	HDFC TRUSTEE COMPANY LIMITED - HDFC TAX SAVER FUND	816332	1.06	01.04.2016				
				15.07.2016	-200000	Transfer	616332	0.80
		616332	0.80	31.03.2017			616332	0.80
12	RELIANCE CAPITAL TRUSTEE CO LTD-A/C RELIANCE GROWTH FUND	101801	0.13	01.04.2016				
				27.05.2016	500000	Transfer	601801	0.78
				03.06.2016	400000	Transfer	1001801	1.30
				10.06.2016	95318	Transfer	1097119	1.42
				17.06.2016	13476	Transfer	1110595	1.44
				15.07.2016	1000000	Transfer	2110595	2.74
				22.07.2016	6400	Transfer	2116995	2.75
				30.09.2016	12000	Transfer	2128995	2.76
				04.11.2016	-100000	Transfer	2028995	2.63
				11.11.2016	40692	Transfer	2069687	2.69

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				18.11.2016	30000	Transfer	2099687	2.73
				25.11.2016	36100	Transfer	2135787	2.77
				02.12.2016	15000	Transfer	2150787	2.79
				09.12.2016	17400	Transfer	2168187	2.82
				16.12.2016	15000	Transfer	2183187	2.84
				23.12.2016	14400	Transfer	2197587	2.85
				30.12.2016	22300	Transfer	2219887	2.88
		2219887	2.88	31.03.2017			2219887	2.88
13	BIRLA EDUCATION TRUST	650961	0.85	01.04.2016		No movement during the year		
		650961	0.85	31.03.2017			650961	0.85
14	RELIANCE CAPITAL TRUSTEE CO LTD-A/C RELIANCE TAX SAVER (ELSS) FUND	0	0.00	01.04.2016				
				07.10.2016	520000	Transfer	520000	0.68
				14.10.2016	29000	Transfer	549000	0.71
				06.01.2017	24300	Transfer	573300	0.74
				13.01.2017	64300	Transfer	637600	0.83
				20.01.2017	22550	Transfer	660150	0.86
				27.01.2017	41850	Transfer	702000	0.91
				24.02.2017	54000	Transfer	756000	0.98
				17.03.2017	180000	Transfer	936000	1.22
				24.03.2017	68200	Transfer	1004200	1.30
		1024200	1.33	31.03.2017	20000	Transfer	1024200	1.33

* Consolidated Shareholding taken

(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 01.04.2016)		Cumulative shareholding during the year (01.04.2016 to 31.03.2017)	
		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 01.04.2016 & 31.03.2017	1260	0.00	1260	0.00
2	Shri Pracheta Majumdar * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
3	Shri Vikram Swarup * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
4	Shri Anand Bordia * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00

ANNEXURE TO DIRECTORS' REPORT (Contd.)

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2016)		Cumulative shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Shri Brij Behari Tandon * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
6	Shri Dhruba Narayan Ghosh * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
7	Dr. Deepak Nayyar * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
8	Smt. Shailaja Chandra* As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
9	Shri Bachh Raj Nahar * As on 01.04.2016 & 31.03.2017	500	0.00	500	0.00
B.	**KEY MANAGERIAL PERSONNEL (KMP):**				
10	Shri Aditya Saraogi As on 01.04.2016 & 31.03.2017	100	0.00	100	0.00
11	Shri Girish Sharma As on 01.04.2016 & 31.03.2017	0	0.00	0	0.00

* Shares held jointly with other Shareholder

Note : There is no change in the shareholding during the year.

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount as on 31.03.2016	1,23,591.35	5,054.55	–	**1,28,645.90**
ii) Interest due but not paid	3.50	0.94	–	**4.44**
iii) Interest accrued but not due as on 31.03.2016	786.40	5.02	–	**791.42**
TOTAL (i+ii+iii)	1,24,381.25	5,060.51	–	**1,29,441.76**
Change in Indebtedness during the financial year				
Addition	1,37,513.19	60,241.07	–	**1,97,754.26**
Reduction	65,549.56	64,734.55	–	**1,30,284.11**
Exchange Difference	1,334.20	–192.27	–	**1,141.93**
Net Change	**70,629.43**	**–4,301.21**	**–**	**66,328.22**
Indebtedness at the end 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**

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

ANNEXURE TO DIRECTORS' REPORT (Contd.)

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 lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri B.R. Nahar (Managing Director)	**Shri P. 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	281.50	68.25	349.75
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	18.32	1.93	20.25
	(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)	90.00	40.00	130.00
	Total (A)	**389.82**	**110.18**	**500.00**
	Ceiling as per the Act	The remunerations is well within the limits prescribed under the Companies Act, 2013		

B. Remuneration to other directors

1. Independent Directors : (` in lacs)

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	13.00	11.50	12.00	6.50	11.50	6.00	60.50
Commission	–	–	–	–	–	–	–
Others, please specify	–	–	–	–	–	–	–
Total (B)(1)	**13.00**	**11.50**	**12.00**	**6.50**	**11.50**	**6.00**	**60.50**

2. Other Non-Executive Directors : (` in lacs)

Particulars of Remuneration	Name of Directors	Total Amount
	Shri Harsh V. Lodha	
Fee for attending Board/Committee Meetings	7.50	7.50
Commission	–	–
Others, please specify	–	–
Total B(2)	**7.50**	**7.50**

Total (B) = (B1) + (B2) **` 68.00 lacs**

Total Managerial Remuneration **` 568.00 lacs**

ANNEXURE TO DIRECTORS' REPORT (Contd.)

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

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	76.46	46.25	122.71
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.69	1.36	2.05
	(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)	20.37	11.02	31.39
	Total	**97.52**	**58.63**	**156.15**

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 26th day of May, 2017

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	A special cell has been formed with an objective of identifying areas of Energy savings by way of modifications/ improvements and replacement of equipments 1. Installation of 02 nos. motorized dump valves in place of manual diverting gates to avoid the cement mill stoppage during silo change-over at BCW. 2. Automation of BCW pump house. Pumps are running in auto according to the level in hot and cold water tank. Cooling tower fans are in auto mode with cold water temp. Saving in electricity by optimum running of Pumps and cooling tower fans at BCW. 3. Optimization of raw VRM at CCW. 4. Centralized Operation of Compressors through PLC for optimum running of compressors at CCW. Prevention of false air ingress at Kiln ESP fan (ESP Inlet to ESP Fan Outlet) at SCW. 5. Replaced PC firing blowers with Energy Efficient turbo blowers at BVC. 6. Replaced GRR by MV drive (VFD) for PH fan at SCW. 7. Turbo blower installed at SCW CF Silo Aeration, BVC Flyash Extraction System, BVC Kiln Feed Mixing Bin Aeration, Kiln Feed Mixing Bin Aeration & BVC CF Silo Aeration. 8. Turbo blower installed at SCW CF Silo Aeration, BVC Flyash Extraction System, BVC Kiln Feed Mixing Bin Aeration, Kiln Feed Mixing Bin Aeration & BVC CF Silo Aeration. 9. Optimisation of 27 MW TPP by O_2 desired level, by the installation of secondary air system at Satna. 10. Optimisation of DCW, reduce coal consumption from 1.26 to 1.06%, Furnace oil from 5.28 to 4.55 Ltr/ton slag. 11. L/T Slag and reduction in PSC spc from 50.95 to 47.48 u/t PCS. 12. The productivity of RBL cement mills increase after stabilisation of V-Separator in VRPGM circuit thereby reduced u/t cement. 13. Replaced old conventional light fittings by latest generation CFL & LED light fittings.	Rationalisation of load on transformer . Installed 1 no transformer of 1250 KVA which replaced to 2 nos old transformer of 750KVA and 500 KVA Replacement of incandesent lights with CFL lights / LED lights Installation of capacitor bank with individual capacitor	Energy Conservation is a continuous exercise, hence we regularly monitor the trends of energy consumption and initiate remedial measures to improve energy efficiency. Our focus is to yield improvement through optimum use of energy, hence we started a exothermic feeding system in moulding process. We have avoided excess super heat of liquid metal during melting through proper monitoring of temperature. Efficiency improvement in compressed air through proper distibution of air by screw compressor. Improvement in lighting system in foundry.
b) Impact on conservation of Energy	Saving in power consumption @ 1.0 KwHr/T of raw grinding due to optimization of raw VRM. Power factor improvement-in the year 2016-2017, rebate of ₹ 87.41 lacs was availed on AVVNL Electricity bill on account of better	Reduction in power consumption and increase power factor	Power consumption has been optimised and product quality improved with better yield and minimum wastages.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

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
	power factor. In the Year 2015-16, power factor rebate was 25 lacs. As a result of better power factor, the energy loss also reduced due to reduction in transmission losses. Replacement of conventional lights with energy efficient LED lights- Replaced lights in CCW CM section and saved 11 KW. Capacity optimization and reduction of fuel, power, GHG Emission, energy consumption, Fossil Fuel and consequently reduction in the cost of production of Cement. Less fossil fuel conservation through biomass and other alternative fuels etc.		
ii) Steps in utilisation of alternate sources of Energy	Started using Carbon Black & AFR Cultivation of Biomass in vaccant Land		
iii) Capital investment on energy conservation equipments	₹ 277.37 Lacs	NIL	–
B. Technology Absorption			
Research & Development			
1) Specification of Technology absorption and/or R&D	1. Installation of cross belt analyzer on LSB-2 belt conveyor for continuous analysis of outsourced limestone 2. Installation of 3 nos. hanging type semi-automatic truck loading machine in place of manual loading system at BCW 3. Installation of 02 nos. platform mounted truck loading machines for packer no. 5 at CCW in place of manual loading system 4. Installation of carbon black / un-burnt fly-ash feeding system to CCW coal VRM. 5. Installation under progress for SNCR system for reduction of NOx at CCW and BVC 6. Modification of ESPs to meet latest emission norms of CPCB 7. Installation of NOx bypass duct to reduce NOx level at BVC	Centralised Lubrcating system at softner machine resulted proper oil application and reducing wastage of lubrication Damping M/c coupled with calendering machine resulted reduction in hands and increase production Modification of bobbin stand and holder at cone / mack roll winding machine resulting reduction of hands as well as thread wastage 43/4 " SD spinning frames of 100 spindles Coverted to 110 spindles resulting increase production Modification creel of S4A beaming machine resulted increase production.	–
2) Benefit	Increase of use of Alternate fuel (Bio Mass, Industial Non-Hazardous Plastic & FMCG Waste) in Kilns & Power Plant for saving of coal which results in conservation of natural resources.	Conservation of Energy	Conservation of Energy

C. Foreign Exchange Earning & Outgo

i) Total Foreign Exchange used - ₹ 17442.04 Lacs.

ii) Total Foreign Exchange earned (including export in Indian Currency) - ₹ 7626.60 Lacs.

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 26th day of May, 2017

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 programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs :**

   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 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, 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/policy/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 Dhurba Narayan Ghosh	Director

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

   2015-16, 2014-15 and 2013-14 is ` 184.01 Crores.

4. **The prescribed CSR expenditure at 2% is ` 3.68 Crores**

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

   a) Total amount to be spent for the Financial Year 2015 – 16 : ` **3.68 Crores**

   b) Amount unspent, if any : Nil

   c) Manner in which the amount spent during the Financial Year 2016 – 17 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. 2016 – 17	Amount spent: Direct/ through implementing agency
1	2	3	4	5	6	7	8
				` Lacs	` Lacs	` Lacs	
I	Construction of multi-speciality Hospital	Health care	Chanderia in Rajasthan	190.00	200.00	200.00	Through implementing agency i.e. Madhav Prasad Priyamvada Birla Apex Charitable Trust
II	Contribution to Indian Trust for Rural Heritage and Development	Rural Development	NGO based in Delhi	–	7.00	7.00	Direct

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. 2016 – 17	Amount spent: Direct/ through implementing agency
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
				` Lacs	**` Lacs**	**` Lacs**	
III	Drinking water supply, Eye check-up camps and surgery, Preventive health check-up camps, Flood relief camp.	Health care / Hygiene	Satna in Madhya Pradesh, Chanderia in Rajasthan, Durgapur in West Bengal	76.50	80.55	80.55	Direct
IV	Promoting Education and Assistance for Schools	Education	Satna in Madhya Pradesh, Chanderia in Rajasthan, Durgapur in West Bengal	34.00	25.47	25.47	Direct
V	Vocational training for Women Empowerment	Women Empowerment	Satna in Madhya Pradesh, Chanderia in Rajasthan	16.50	12.67	12.67	Direct
VI	Animal husbandry activities, Advanced agricultural training, Environment sustainability	Environmental sustainability and Agricultural training	Satna in Madhya Pradesh, Chanderia in Rajasthan, Durgapur in West Bengal	35.00	20.47	20.47	Direct
VII	Protection of national heritage, art and culture including restoration of building and sites of historical importance, Cultural initiatives	Protection of National Heritage and Cultural Initiatives	Satna in Madhya Pradesh, Chanderia in Rajasthan	6.00	4.83	4.83	Direct
VIII	Promotion of rural sports and nationally recognized sports	Promotion of rural sports	Satna in Madhya Pradesh	3.00	0.15	0.15	Direct
IX	Rural Development Projects	Rural Development	Chanderia in Rajasthan	9.00	32.77	32.77	Direct
TOTAL				**370.00**	**383.91**	**383.91**	

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.

Kolkata,
Dated, the 26th day of May, 2017

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

Bachh Raj Nahar
Managing Director
(DIN : 00049895)

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 2016-17 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2016-17 (` in lacs)	% increase in Remuneration in the financial year 2016-17	Ratio of remuneration of each Director/to median remuneration of employees*
01.	Shri Bachh Raj Nahar Managing Director	386.47	16.67	224:1
02.	Shri Pracheta Majumdar Wholetime Director designated as Chief Management Advisor	70.98	18.58	41:1
03.	Shri Aditya Saraogi Chief Financial Officer	105.49	42.97	N.A.
04.	Shri Girish Sharma Jt. President (Indirect Taxes) & Company Secretary	67.01	72.86	N.A.

Note : No other Director other than the Managing Director and Wholetime Director receives any remuneration other than sitting fees during the financial year 2016-17.

*The median remuneration of employees of the Company during the financial year was ` 1.73 lacs.

ii) There was an increase of 25.24% in the median remuneration of employees during the financial year 2016-17.

iii) There were 5978 permanent employees on the rolls of Company as on 31st March, 2017.

iv) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the last financial year i.e. 2016-17 was 13.23% whereas the increase in the managerial remuneration for the same financial year was 25.95%.

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, performance based incentives etc. during the year.

v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2017 is as per the 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 26th day of May, 2017

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – 'F'

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[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. 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 Birla Corporation Limited 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, 2017 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 Birla Corporation Limited, ("the Company") for the financial year ended on 31 March, 2017, 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;

(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

ANNEXURE TO DIRECTORS' REPORT (Contd.)

specifically to the Cement/Jute division of the Company:

(i) Mineral Conservation and Development Rules, 1988

(ii) The Mines and Minerals (Development and Regulation) Act, 1957

(iii) The Environment (Protection) Act, 1986

(iv) Explosives Rules, 2008

(v) Ammonium Nitrate Rules, 2012

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

(vii) The Jute Manufactures Cess Act, 1983

(viii) 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. No change in the composition of the Board of Directors took place 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.

I further report that during the audit period the following acquisition and issue and redemption of debentures having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has occurred:

(i) The Company has acquired 100% equity shares of Reliance Cement Company Private Limited (RCCPL) from Reliance Infrastructure Limited. Consequent to the said acquisition of shares, RCCPL has become a wholly owned material subsidiary of Birla Corporation Limited.

(ii) The Company has issued 4000 (AA) Rated, Listed, Secured, Redeemable Non-Convertible Debentures each having a face value of ` 10,00,000/- (Rupees Ten Lakhs only) of the aggregate face value of ` 400,00,00,000 (Rupees Four Hundred Crores Only) on a private placement basis.

(iii) The Company has redeemed 1200, Series 1, 8.80% Secured Redeemable Non Convertible Debentures on 06.02.2017, each having face value of ` 10,00,000/- (Rupees Ten Lakh only) of the aggregate face value of ` 1,20,00,00,000 (Rupees One Hundred and Twenty Crore Only) which were issued on a private placement basis on 06.02.2010 for a period of 7 years.

Sd/-
Mamta Binani
Practising Company Secretary
FCS No.: 4525
CP No.: 2598

Place : Kolkata
Date : 26.05.2017

BUSINESS RESPONSIBILITY REPORT 2016-17

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2017, 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

<table>
<tr><td>1</td><td>Corporate Identity Number (CIN) of the Company</td><td colspan="4">L01132WB1919PLC003334</td></tr>
<tr><td>2</td><td>Name of the Company</td><td colspan="4">Birla Corporation Limited</td></tr>
<tr><td>3</td><td>Registered address</td><td colspan="4">9/1, R N Mukherjee Road, Birla Building,
Kolkata -700001</td></tr>
<tr><td>4</td><td>Website</td><td colspan="4">www.birlacorporation.com</td></tr>
<tr><td>5</td><td>E-mail id</td><td colspan="4">coordinator@birlacorp.com</td></tr>
<tr><td>6</td><td>Financial Year reported</td><td colspan="4">2016-17</td></tr>
<tr><td rowspan="4">7</td><td rowspan="4">Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td colspan="4">Details of major products</td></tr>
<tr><td>Group</td><td>Class</td><td>Sub Class</td><td>Description</td></tr>
<tr><td>239</td><td>2394</td><td>23941
23942</td><td>Manufacturing of Clinker and Cement</td></tr>
<tr><td>131</td><td>1313</td><td>13135</td><td>Manufacturing of Jute</td></tr>
<tr><td>8</td><td>List three key products/ services that the Company manufactures/ provides (as in balance sheet)</td><td colspan="4">(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 goods.</td></tr>
<tr><td>9</td><td>Total number of locations where business activity is undertaken by the Company</td><td colspan="4">(a) Number of International Locations (Provide details of major 5)- Nil
(b) Number of National Locations:
2 integrated cement units, 3 grinding units, 1 blending unit, 1 Jute mill, 1 steel foundry unit, Registered Office and Corporate Office & 17 Regional Sales Offices .</td></tr>
<tr><td rowspan="3">10</td><td rowspan="3">Markets served by the Company – Local/State/ National/International</td><td colspan="4">Local/State/National/International</td></tr>
<tr><td>Local</td><td>State</td><td>National</td><td>International</td></tr>
<tr><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes</td></tr>
</table>

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	` 77.01 crores
2	Total Turnover (INR)	` 3841.02 crores
3	Total profit after taxes (INR)	` 214.00 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, an amount of ` 383.91 Lacs was spent on CSR activities. This represents 2.09% of average net profit for three financial year immediately preceding the financial year 2016-17.

BUSINESS RESPONSIBILITY REPORT 2016-17 (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. Protection of National Heritage and Cultural Initiatives 6. Rural Development 7. Promotion of Rural Sports

SECTION C : OTHER DETAILS

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

   Yes, as on 31st March, 2017, the Company has 7 (Seven) Subsidiary Companies, viz. Reliance Cement Company Private Limited, Lok Cements 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 2016-17 (Contd.)

1. **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? Is 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 2016-17 (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 has published its first Business Responsibility Report for the Financial Year 2016-17 which forms part of the Company's Annual Report for Financial Year 2016-17. The report is available 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.**

The Company received 1 (One) complaint relating to non-receipt of Dividend Warrant from stakeholder during the financial year 2016-17, 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. The blended cements in the Company's major product range which use waste by-product of other industries are Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC).

BUSINESS RESPONSIBILITY REPORT 2016-17 (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, the Company has installed WHRS (Waste Heat Recovery System) at Satna and Chanderia and Solar Power Plant at Satna. Alternative fuel is used for thermal substitution by using FMCG , Polyresidue Plastic and rice husk and replacing fossil fuel. For water conservation, the Company collect rain water in the mined out area which is being used for plant and colony throughout the year. The Company has also installed Air Cooled Condenser (ACC) at Chanderia 27 MW Captive Power Plant (CPP). At Satna the project of ACC is in progress which saves 90% water required for running Captive Power Plant (CPP). The Company has been promoting energy efficient technology to ensure lower energy consumption. The Company, as a part of conserving natural resources and reduce energy consumption, consumes industrial waste by-products like fly ash, steel slag in the cement manufacturing process, which reduces greenhouse gas emission. 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 for variety of purposes. Therefore it is not feasible to measure reduction in the usage (energy, water) nor available with us. However, the Company continuously takes measures to reduce the consumption of energy and water.

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 5,978 as on 31st March, 2017.

BUSINESS RESPONSIBILITY REPORT 2016-17 (Contd.)

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

   Total temporary/Contractual/Casual employees were 7,371 as on 31st March, 2017.

3. **Please indicate the Number of permanent women employees.**

   There were 23 permanent women employees as on 31st March, 2017.

4. **Please indicate the Number of permanent employees with disabilities.**

   There were 4 permanent employees with disabilities as on 31st March, 2017.

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?**

   26.60%

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	Nil
3	Discriminatory employment	Nil	Nil

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

   (a) Permanent Employees : 50.84% (Out of 5978 permanent employees, 3039 ones participated in the training)

   (b) Permanent Women Employees : 30.43% (Out of 23 Women employees 7 took part in the training)

   (c) Casual/temporary/Contractual Employees : 23.46% (Out of total 7371 persons, 1729 persons participated in the training)

   (d) Employees with Disabilities : Nil (Only 4 employees are with disabilities)

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,

BUSINESS RESPONSIBILITY REPORT 2016-17 (Contd.)

all directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalised stakeholders, and 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 2016-17, 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 https://www.birlacorporation.com/corporate_sustainibility.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.

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 Units. 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 2016-17.

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 2016-17.

BUSINESS RESPONSIBILITY REPORT 2016-17 (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 Manufacturers' 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 for nearby villages of its 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 the Company 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 manufacturing of track suits, bags and Sewing training programmes.

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 ` 383.91 Lacs as part of its CSR initiatives. Details of the projects are given in "Annexure-D"- CSR Report forming part of Directors' Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

   Yes, the Company organises regular meetings with villagers to ensure their satisfaction. The Company has also implemented monthly reporting system which contains progress and development report of all the ongoing programmes.

BUSINESS RESPONSIBILITY REPORT 2016-17 (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?**

   Different kinds of Marketing Research and Consumer/Customer surveys are carried out by the Company periodically 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, 2017, is 9 (Nine). Of the 9 (Nine) Directors, 2 (Two) are Executive Directors and 7 (Seven) 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 Committee (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, a member 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 the Senior National Vice President of the Indo-American Chamber of Commerce.

Shri Anand Bordia, a former 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 undertook consultancy projects for the Harvard Institute for International Development, UNODC and Asian Development Bank.

Shri B.B. Tandon, the 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 D.N. Ghosh is a 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. He is currently serving on the Board of Housing Development Finance Corporation Limited.

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 14 books and more than 70 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 B.R. 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-familiarisation-and training.html

Meetings, attendance and agenda of the Board Meetings:

During the year 2016-17, 5 (Five) Meetings of the Board of Directors of the Company were held i.e. on 6th May, 2016, 12th July, 2016, 10th August, 2016, 22nd November, 2016 and 8th February, 2017. 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 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 & financial performance and on annual operating and capex budget. Presentations

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 2016-17 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, 2017 are as follows :

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 08.07.2016@	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	5	P	1260*	8	1	–
Shri Pracheta Majumdar (Whole time Director designated as Chief Management Advisor)	Executive	5	P	500*	2	2	–
Shri Vikram Swarup	Independent Non-Executive	5	P	500*	7	–	1
Shri Anand Bordia	Independent Non-Executive	5	A	500*	5	1	3
Shri B.B. Tandon	Independent Non-Executive	5	A	500*	8	5	2
Shri D.N. Ghosh	Independent Non-Executive	5	A	500*	2	1	–
Dr. Deepak Nayyar	Independent Non-Executive	5	A	500*	1	1	–
Ms. Shailaja Chandra	Independent Non-Executive	5	A	500*	5	5	–
Shri B.R. Nahar (Managing Director)	Executive	5	P	500*	6	–	–

@ P= Present, A= Absent.

* 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.

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 2016-17, one 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 2016-17.

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 & 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 & internal auditors and the Board of Directors.

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

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;

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 in the draft audit report
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 2016-17, 4 (Four) meetings of the Audit Committee of the Company were held i.e. on 5th May, 2016, 9th August, 2016, 21st November, 2016 and 7th February, 2017. The gap between any two consecutive meetings did not exceed 120 days complying with 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 2016-17 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	4
Shri B.B. Tandon	Independent Non-Executive Director	4
Dr. Deepak Nayyar	Independent Non-Executive Director	4

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 2016-17.

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 Independent Directors and the Board;

iii) devising a policy on Board 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.

4.2 During the year 2016-17, 3 (Three) meetings of the Nomination and Remuneration Committee of the Company were held i.e. on 5th May, 2016, 10th August, 2016 and 21st November, 2016. The composition of the Committee and the attendance of members of the Committee during the year 2016-17 is as under :

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	3
Shri Harsh V. Lodha	Non-Independent Non-Executive Director	3
Shri Anand Bordia	Independent Non-Executive Director	3
Shri B.B. Tandon	Independent Non-Executive Director	3
Dr. Deepak Nayyar	Independent Non-Executive Director	3

All recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company during the financial year 2016-17.

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 Directors during the financial year ended 31st March, 2017 :**

(a) **Shri B.R. Nahar, Managing Director :** (` in Lacs)

Name	Salary	Perquisites & Allowances*	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2016-17	Period of Service Contract
Shri B.R. Nahar	117.75	197.95	–	90.00	405.70	5 Years w.e.f. 03.08.2014

* Including Retirement benefits.

(b) **Shri P. Majumdar, Wholetime Director designated as Chief Management Advisor :** (` in Lacs)

Name	Salary	Perquisites & Allowances	Sitting Fees	Performance Linked Bonus	Total amount paid/ payable in 2016-17	Period of Service Contract
Shri P. Majumdar	68.25	2.13	–	40.00	110.38	5 Years w.e.f. 20.05.2013

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

Name	Sitting Fees
Shri Harsh V. Lodha	750000
Shri Vikram Swarup	1300000
Shri Anand Bordia	1150000
Shri B.B. Tandon	1200000
Shri D.N. Ghosh	650000
Dr. Deepak Nayyar	1150000
Ms. Shailaja Chandra	600000

No remuneration other than the sitting fees for attending Board & 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 & transmission of shares, issue of duplicate/re-materialized shares and consolidation & 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 2016-17, 4 (Four) meetings of the Stakeholders Relationship Committee of the Company were held i.e. on 6th May, 2016, 10th August, 2016, 22nd November, 2016 and 8th February, 2017. The composition of the Committee and the attendance of members of the Committee during the year 2016-17 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	4
Shri Vikram Swarup	Independent Non-Executive Director	4
Shri B.R. Nahar	Executive Director	4

5.4 In addition, the Stakeholders Relationship Committee approved 18 Resolutions by Circulation for effecting registration of transfer of shares and other issues concerning investor services during the year.

The Company has received 1 (One) complaint from the shareholder during the year 2016-17 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, 2017, 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 2016-17, 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 B.R. Nahar	Executive Director

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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

7.3 During the year 2016-17, 2 (Two) meetings of the CSR Committee were held on 6th May, 2016, and 22nd November, 2016. The composition of the Committee and the attendance of members of the Committee during the year 2016-17 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 B.B. Tandon	Independent Non-Executive Director	2
Shri D.N. Ghosh	Independent Non-Executive Director	2

8. INDEPENDENT DIRECTORS' MEETING :

During the year under review, the Independent Directors met on 7th February, 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 2016-17 is as under :

Name of the Member	Attendance
Shri D.N. Ghosh *	Present
Shri Vikram Swarup	Present
Shri A. Bordia	Present
Shri B.B. Tandon	Present
Dr. Deepak Nayyar	Present
Ms. Shailaja Chandra	Present

* Shri D.N. 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 P. Majumdar, Whole-time Director and Shri B. R. 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
2015-2016	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	08.07.2016	10.30 A.M.
2014-2015	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	02.07.2015	10.30 A.M.
2013-2014	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	21.08.2014	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 At the Annual General Meeting of the Company held on 21st August, 2014, 3 (Three) Resolutions were passed as Special Resolutions as mentioned hereunder:

i) Resolution u/s. 180(1)(c) of the Companies Act, 2013 for borrowing money up to ` 3000 crores over and above the aggregate of paid up capital and free reserves of the Company.

ii) Resolution u/s. 180(1)(a) of the Companies Act, 2013 for creation of mortgage/ charge of Company's assets.

iii) Resolution u/s. 94(1) for keeping Register of Members and other Registers at the office of the Registrar and Share Transfer Agent.

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

10.5 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.

10.6 No Special Resolution was passed through Postal Ballot during the Financial Year 2016-17. 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 2016-17 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 2016-17 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.62 of the Financial Statements.

The Policy on Related Party Transaction can be accessed at the link http://www.birlacorporation.com/investors/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/policy/policy-on-material-subsidiary.pdf

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

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 :

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for prevention of Insider Trading.

The new code viz. "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" has been formed and adopted. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

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. H.P. Khandelwal & 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 & 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 & 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 & Analysis, forms part of the Directors' Report is covered in the Annual Report.

16. GENERAL SHAREHOLDERS' INFORMATION :

16.1 **Annual General Meeting**

Date and Time : 31st July, 2017, 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, 2018	:	Within 60 days of the end of the Financial Year

16.4 **Date of Book closure** : 25th July, 2017 to 31st July, 2017 (both days inclusive)

16.5 **Dividend Payment date** :

Credit/dispatch of dividend warrants between 1st August, 2017 to 9th August, 2017

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.

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

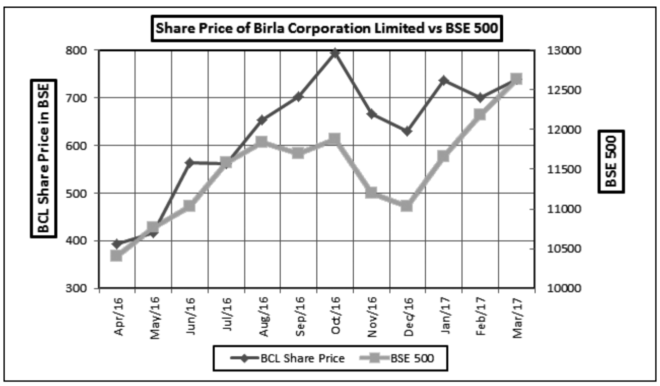
Annual Listing fees as prescribed, has been paid by the Company to the above Stock Exchanges for the financial year 2016-17.

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

16.10 **Market Price Data during financial year 2016-2017 :**

Month	BSE (in `)		NSE (in `)	
	High	Low	High	Low
April, 2016	416.45	365.00	414.90	366.20
May, 2016	424.00	366.65	426.00	360.50
June, 2016	571.90	402.05	571.90	402.55
July, 2016	580.90	520.50	582.75	520.15
August, 2016	696.70	542.35	696.80	541.00
September, 2016	736.45	615.00	738.00	612.25
October, 2016	798.00	709.00	797.70	706.10
November, 2016	806.75	629.00	803.95	629.95
December, 2016	678.90	608.90	685.00	608.00
January, 2017	747.00	633.50	744.90	630.10
February, 2017	755.25	682.10	757.00	682.05
March, 2017	744.00	668.10	746.00	666.10

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 the documents are found to be in order. Stakeholders Relationship Committee considers & 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 2016-17, 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.59.3 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 (`)
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
2011 – 2012 (Final)	28.06.2012	3.50
2011 - 2012 (Interim)	31.10.2011	2.50

* Subject to approval of shareholders.

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. The Company will in August & December, 2017 transfer to the said fund, the Final dividend for the year ended 31st March, 2010 & Interim dividend for the year ended 31st March, 2011 respectively which have remained unclaimed / unpaid.

16.18 **Transfer of 'Underlying Shares' into 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 125(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company has also sent 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.

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 Shareholders	Number of Ordinary Shares	Number of Shareholders	Number of Ordinary Shares
Aggregate Number of shareholders and outstanding shares in the suspense account lying at the beginning of the year	304	83631	0	0
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	2	8780	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 shareholders and the outstanding shares in the suspense account lying at the end of the year	302	74851	0	0

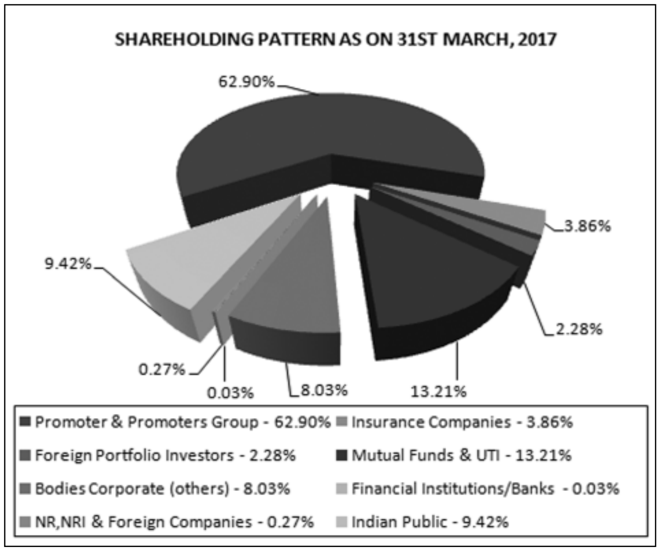
The voting, dividend and other rights on the shares in the suspense account as on 31st March, 2017 shall remain frozen till the rightful owners of such shares claim the shares.

16.20 **Distribution of shareholding as on 31st March, 2017 :**

No. of Ordinary Shares held	No. of shareholders	% of shareholders	No. of Ordinary Shares	% of shareholding
Upto 500	24882	92.27	2425044	3.15
501 to 1000	1136	4.21	827136	1.07
1001 to 2000	470	1.74	689002	0.90
2001 to 3000	155	0.58	388176	0.50
3001 to 4000	76	0.28	263988	0.34
4001 to 5000	43	0.16	199072	0.26
5001 to 10000	66	0.24	467090	0.61
10001 & above	139	0.52	71745839	93.17
TOTAL	**26967**	**100.00**	**77005347**	**100.00**

16.21 **Shareholding Pattern :**

The shareholding of different categories of the shareholders as on 31st March, 2017 is given below :-



16.22 **Dematerialisation of Shares and liquidity :**

As on 31st March, 2017, 99.25% of the Company's total ordinary shares representing 76429460 shares were held in dematerialised form and 575887 shares representing 0.75% of paid-up share capital were held in physical form.

16.23 **Reconciliation of Share Capital Audit :**

As stipulated by Securities and Exchange Board of India (SEBI), a practicing Chartered Accountant carries out the Reconciliation of 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).

REPORT ON CORPORATE GOVERNANCE (Contd.)

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) 66166726, 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, 2017 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **BIRLA CORPORATION LIMITED**

(B.R. NAHAR)
Managing Director

Dated : the 26th May, 2017

26th May, 2017

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, 2017 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

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Birla Corporation Limited

We have examined the compliance of conditions of Corporate Governance by **Birla Corporation Limited** (the 'Company'), for the year ended March 31, 2017, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

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

For **H.P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No : 302050E

Rajiv Singhi
Partner
Membership No : 053518

Place : Kolkata
Dated : the 26th day of May 2017

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 2017, and the Statement of Profit and 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 financial position, 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) prescribed under section 133 of the Act .

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 there under.

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 the 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 Ind AS, of the financial position of the Company as at 31st March 2017 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act("the Order"), we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the 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 prescribed under section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 (as amended) , 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 42.1 to 42.6 to the financial statements;

   ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

   iv. The Company has provided requisite disclosures in Note No. 63 to its Standalone Ind AS Financial Statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December, 2016. Based on audit procedures performed and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For **H. P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No. 302050E

Rajiv Singhi
Partner
Membership No. 053518

Place : KOLKATA
Dated : 26th day of May, 2017

ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of M/s Birla Corporation Limited for the year ended 31 March, 2017, we report that :

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

(b) The fixed assets have been physically verified wherever practicable on a phased manner by the management/ internal auditors, and the reconciliation of the quantities with the book records has been done on continuous basis except in case of Soorah Jute Mills (due to suspension of work), Auto Trim Division at Gurgaon & Chakan where verification could not be done. Further the differences, if any, arising out of such reconciliation so far have been adjusted and no material discrepancies between book records and physical inventory have been noticed.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory has been physically verified at reasonable intervals during the year by the Management/ Internal Auditors except in case of Soorah Jute Mills (due to suspension of work) and Auto Trim Division at Gurgaon & Chakan units where verification could not be done. The discrepancies noticed on verification between the physical stock and the book stocks, wherever ascertained were not significant and have been properly dealt in the books of accounts.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments & guarantees made.

v. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under sections 73 to 76 of the Companies Act and the rules framed there under with regard to deposits accepted from the public during the year.

vi. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act, for the Company's Cement, Jute, Power and Auto Trim Units. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of 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 other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the dues of Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise and Value Added Tax as at 31 March, 2017 which have not been deposited on account of dispute and the forum where the disputes are pending are as under :

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where pending
Sales Tax & VAT Laws	Sales Tax and VAT	3,029.60	1994-2013	Department/ 1st Appellate Authority
		171.34	1989-2008	Authority Tribunals
		237.06	1989-2017	High Court & above
Central Excise Act, 1944	Excise Duty	2,180.33	1988-2016	Department/ 1st Appellate Authority
		1,897.79	1976-2013	Authority Tribunals

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where pending
Finance Act, 1994	Service Tax	86.44	2004-2016	Department/ 1st Appellate Authority
		714.94	2004-2015	Authority Tribunals
		138.36	2004-06	High Court & above
The Customs Act, 1962	Custom Duty	9.66	2012-2014	Authority Tribunals
The Income Tax Act, 1961	Income Tax	2,712.24	AY 2011-12 to 2012-13	Department/ 1st Appellate Authority

viii. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix. Based on information and explanations given to us and records of the Company examined by us, in our opinion, the term loans have been applied for the purpose for which they were obtained. Proceeds from Foreign currency loans raised in earlier years and remained unutilized, due to delays in execution of projects, as at 1st April 2016 amounting to Rs. 22,807.12 lacs were subsequently utilized during the year at various dates and a sum of Rs. 13,488.62 lacs remained unutilized at 31st March, 2017 and kept temporarily under Bank fixed deposit.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **H. P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No. 302050E

Rajiv Singhi
Partner
Membership No. 053518

Place : KOLKATA
Dated : 26th day of May, 2017

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s Birla Corporation Limited for the year ended 31 March, 2017, we report that :

We have audited the internal financial controls over financial reporting of M/s Birla Corporation Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the 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 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.

AUDITOR'S 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both 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 judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2017 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 issued by ICAI.

For **H. P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No. 302050E

Rajiv Singhi
Partner
Membership No. 053518

Place : KOLKATA
Dated : 26th day of May, 2017

STANDALONE BALANCE SHEET as at 31st March, 2017

(` in lacs)

	Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
ASSETS							
NON-CURRENT ASSETS							
Property, Plant and Equipment	**5**	2,00,757.22		2,02,570.45		1,91,625.55	
Capital Work-In-Progress		5,867.08		6,324.69		12,269.87	
Investment Property	**6**	18.34		9.20		9.45	
Intangible Assets	**7**	368.32		265.91		412.96	
Intangible Assets under development		192.46		–		–	
Biological Assets other than Bearer Plants	**8**	82.02		82.55		90.22	
Investment in Subsidiaries & Associates	**9**	2,26,251.62	**4,33,537.06**	899.62	**2,10,152.42**	899.62	**2,05,307.67**
Financial Assets							
Investments	**10**	33,144.18		31,546.30		51125.41	
Trade Receivables	**11**	–		–		–	
Loans	**12**	345.63		285.93		255.68	
Other Financial Assets	**13**	3,393.50		3,492.87		3,293.10	
Non Current Tax Asset (Net)		5,140.16		5,025.50		4,875.28	
Other Non-Current Assets	**14**	5,721.32	**47,744.79**	5,160.14	**45,510.74**	5,123.34	**64,672.81**
CURRENT ASSETS							
Inventories	**15**	49,033.05		56,697.33		55,211.02	
Financial Assets							
Investments	**16**	33,236.97		137381.40		103413.95	
Trade Receivables	**11**	8,948.93		9,423.93		8,691.80	
Cash and Cash Equivalents	**17**	7,747.04		10,685.15		7,075.60	
Bank Balances other than Note 17	**18**	22,325.22		25,538.37		39,601.46	
Loans	**12**	154.38		211.01		162.76	
Other Financial Assets	**13**	978.60		474.84		2,363.31	
Other Current Assets	**14**	37,886.91		26,637.26		23,455.23	
Non-Current Assets classified as Held for Sale	**19**	128.12	**1,60,439.22**	128.24	**2,67,177.53**	128.24	**2,40,103.37**
Total Assets			**6,41,721.07**		**5,22,840.69**		**5,10,083.85**
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital	**20**	7,700.89		7,700.89		7,700.89	
Other Equity	**21**	3,09,711.77	**3,17,412.66**	2,84,835.83	**2,92,536.72**	2,76,011.69	**2,83,712.58**
LIABILITIES							
NON-CURRENT LIABILITIES							
Financial Liabilities							
Borrowings	**22**	1,83,533.11		78,968.68		1,09,336.79	
Other Financial Liabilities	**23**	22,880.54		19,334.43		16,623.73	
Provisions	**24**	2,927.67		2,507.03		2,324.51	
Deferred Tax Liabilities (Net)	**25**	16,024.42		18,210.93		19,623.48	
Non Current Tax Liabilities (Net)		763.76		800.86		792.55	
Other Non Current Liabilities	**26**	19,178.20	**2,45,307.70**	16,983.22	**1,36,805.15**	18,873.36	**1,67,574.42**
CURRENT LIABILITIES							
Financial Liabilities							
Borrowings	**27**	2,138.58		14,275.78		14,082.55	
Trade Payables	**28**						
Total outstanding dues of creditors to micro enterprises and small enterprises		123.10		66.27		–	
Total outstanding dues of creditor to other than micro enterprises and small enterprises		19,231.83		16,204.85		16,048.15	
Other Financial Liabilities	**23**	39,925.28		47,428.72		17,003.38	
Other Current Liabilities	**26**	14,704.60		12,940.43		9347.64	
Provisions	**24**	1,691.44		1,838.31		2,315.13	
Current Tax Liabilities (Net)	**29**	1,185.88	**79,000.71**	744.46	**93,498.82**	–	**58,796.85**
Total Equity and Liabilities			**6,41,721.07**		**5,22,840.69**		**5,10,083.85**
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 **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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, 2017

(` in lacs)

	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
INCOME			
Revenue from Operations	30	3,84,102.21	3,76,159.12
Other Income	31	14,453.21	17,722.15
Total Income		**3,98,555.42**	**3,93,881.27**
EXPENSES			
Cost of Materials Consumed	32	58,937.08	61,797.92
Purchases of Stock -in- Trade	33	–	88.91
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	34	2,526.53	(1,403.21)
Excise Duty		49,589.97	49,343.41
Employee Benefits Expense	35	26,453.14	24,374.65
Finance Costs	36	13,922.86	8,226.09
Depreciation and Amortisation Expense	37	14,719.33	14,846.92
Other Expenses	38	2,09,472.51	2,13,370.23
Total Expenses		**3,75,621.42**	**3,70,644.92**
Profit before Exceptional Items and Tax		**22,934.00**	**23,236.35**
Exceptional Items	39	682.14	3,149.48
Profit before Tax		**22,251.86**	**20,086.87**
Tax Expense :	40		
Current Tax		1,283.11	53.16
Deferred Tax		(431.02)	3,280.98
Income Tax for earlier years		–	(15.66)
	40	852.09	3,318.48
Profit for the year		**21,399.77**	**16,768.39**
Other Comprehensive Income :			
A. Items that will not be reclassified to profit or loss	41.1	9,427.09	(2,070.29)
Income tax relating to these items		(2,011.26)	716.49
		7,415.83	(1,353.80)
B. Items that will be reclassified to profit or loss	41.2	112.04	(132.32)
Income tax relating to these items		(38.32)	45.79
		73.72	(86.53)
Other Comprehensive Income for the Year (Net of Tax)		7,489.55	(1,440.33)
Total Comprehensive Income for the period		**28,889.32**	**15,328.06**
Earnings Per Share (of ` 10/- each)			
Basic & Diluted (`)	48	27.79	21.78
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 **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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, 2017

(` in lacs)

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Cash Flow from Operating Activities :				
Profit after Exceptional Items & before Tax	22,251.86		20,086.87	
Adjustments for :				
Depreciation & Amortisation	14,719.33		14,846.92	
Investing Activities (Net)	(11,559.95)		(15,817.60)	
Provision for doubtful debts	100.44		-	
(Profit)/Loss on sale/ discard of Fixed Assets (Net)	18.02		(3.32)	
Fair Valuation for Biological Assets other than bearer plants	3.74		6.67	
Deffered Revenue	41.71		47.20	
Excess Liabilities and unclaimed balances & Provision written back (Net)	(2,089.69)		(1,438.34)	
Excess Depreciation written back	(48.63)		(138.55)	
Unrealised Foreign Exchange Fluctuations	(118.61)		763.94	
Finance Costs	13,922.86		8,226.09	
Operating Profit before Working Capital changes	**37,241.08**		**26,579.88**	
Adjustments for :				
(Inc)/ Dec in Trade Receivables	375.08		(703.93)	
(Inc)/ Dec in Inventories	7,664.28		(1,486.31)	
(Inc)/ Dec in Loans, Other Finacial Assets & Other Assets	(11,749.90)		(4,064.20)	
Inc/ (Dec) in Trade Payables & Other Liability	17,994.32		8,302.05	
Inc/ (Dec) in Provisions	(568.59)		(447.90)	
Cash generated from operations	**50,956.27**		**28,179.59**	
Direct Taxes Paid	(5,000.09)		(3,366.20)	
Net Cash from Operating Activities		**45,956.18**		**24,813.39**
Cash Flow from Investing Activities :				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(12,454.33)		(16,951.32)	
Sale of Tangible Assets	205.61		546.05	
(Purchase)/Sale of Liquid Investments (Net)	1,10,283.10		(12,247.78)	
Purchase of Investments	(11,246.00)		(169.40)	
Sale of Investments	22,355.16		6,800.00	
(Inc)/ Dec in Investment in Subsidiary & Associates	(2,16,062.00)		-	
(Inc)/ Dec in Other Bank Balances	3,213.15		14,063.09	
(Inc)/ Dec in Advances to Related Parties	(56.15)		(26.15)	
Interest received	2,956.97		6,785.31	
Dividend received	155.06		110.38	
Net Cash used in Investing Activities		**(1,00,649.43)**		**(1,089.82)**
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	1,10,699.59		(0.00)	
Repayments of Long Term Borrowings	(29,514.72)		(6,259.07)	
(Repayments)/Proceeds from Short Term Borrowings	(12,137.20)		169.62	
Interest Paid	(11,731.62)		(8,463.66)	
Dividend Paid	(4,620.32)		(4,620.32)	
Corporate Dividend tax paid	(940.59)		(940.59)	
Net Cash used in Financing Activities		**51,755.14**		**(20,114.02)**
Net Increase in Cash and Cash Equivalents		**(2,938.11)**		**3,609.55**
Cash and Cash Equivalents (Opening Balance)		**10,685.15**		**7,075.60**
Cash and Cash Equivalents (Closing Balance) (Refer Note No. 17)		**7,747.04**		**10,685.15**

Note : a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
b) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 3.2.
c) Figures for the previous year have been re-grouped wherever considered necessary.
d) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
e) The Notes are an integral part of the Standalone Financial Statements.

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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 CHANGE IN EQUITY for the year ended 31st March, 2017

(` in lacs)

a) Equity Share Capital

Balance as at 1st April, 2015	7,700.89
Add/(Less) : Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2016	7,700.89
Add/(Less) : Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2017	**7,700.89**

b) Other Equity

	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	Remeasurement of Defined Benefit Plans	
Balance as at 1st April, 2015	**105.08**	**6,575.00**	**2,27,905.17**	**(1,238.19)**	**34,264.28**		**8,400.35**		**2,76,011.69**
Profit for the Year					16,768.39				16,768.39
Mark to market Gain/(Loss)						(132.32)	(1,916.69)		(2,049.01)
Remeasurement of Gain/(Loss)								(153.60)	(153.60)
Impact of Tax						45.79	663.33	53.16	762.28
Total Comprehensive Income	**–**	**–**	**–**	**–**	**16,768.39**	**(86.53)**	**(1,253.36)**	**(100.44)**	**15,328.06**
Final Dividend Paid					(4,620.32)				(4,620.32)
Dividend Distribution Tax on Final Dividend					(940.59)				(940.59)
Transfer to Debenture Redemption Reserve		1,000.00			(1,000.00)				–
Transfer to General Reserve			7,100.00		(7,100.00)				–
Exchange Gain/(Loss) during the year (Net of amortisation)				(943.01)					(943.01)
	–	1,000.00	7,100.00	(943.01)	(13,660.91)	–	–	–	(6,503.92)
Balance as at 31st March, 2016	**105.08**	**7,575.00**	**2,35,005.17**	**(2,181.20)**	**37,371.76**	**(86.53)**	**7,146.99**	**(100.44)**	**2,84,835.83**

STANDALONE STATEMENT OF CHANGE IN EQUITY for the year ended 31st March, 2017

(` in lacs)

	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	Remeasurement of Defined Benefit Plans	
Balance as at 31st March, 2016	**105.08**	**7,575.00**	**2,35,005.17**	**(2,181.20)**	**37,371.76**	**(86.53)**	**7,146.99**	**(100.44)**	**2,84,835.83**
Profit for the Year	–	–	–	–	21,399.77	–	–	–	21,399.77
Mark to market Gain/(Loss)	–	–	–	–	–	68.15	10269.45	–	10,337.60
Reclassification of financial instruments from OCI to Retained Earnings	–	–	–	–	–	43.89	–	–	43.89
Remeasurement Gain/(Loss)	–	–	–	–	–	–	–	(842.36)	(842.36)
Impact of Tax	–	–	–	–	–	(38.32)	(2,191.66)	180.40	(2,049.58)
Total Comprehensive Income	**–**	**–**	**–**	**–**	**21,399.77**	**73.72**	**8,077.79**	**(661.96)**	**28,889.32**
Final Dividends Paid	–	–	–	–	(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 (Net of amortisation)	**–**	**–**	**–**	**1,547.53**	**–**	**–**	**–**	**–**	**1,547.53**
	–	**(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)**	**36,627.98**	**(12.81)**	**15,224.78**	**(762.40)**	**3,09,711.77**

The Notes are an integral part of the Standalone Financial Statements.

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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 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 transformed from being a manufacturer of jute goods to a leading multi-product corporation with widespread activities. 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 for all periods up to and including the year ended 31st March, 2016, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended 31st March, 2017 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2015 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101"First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note No. 55. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2015 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arising from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2015 as required by Ind- AS 101. The financial statements of the Company for the year ended 31st March, 2017 has been approved by the Board of Directors in their meeting held on 26th May, 2017.

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

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs 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 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, 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.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

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).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and 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 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 of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- 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 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

3.6.4. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

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 employees' 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) 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) 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**

  Defined contribution plans such as provident fund etc are charged to the statement of profit and loss as and when incurred. Further for certain employees the monthly contribution for provident fund is made to a trust administered by the company. The interest payable by the trust is notified by the government. The company has an obligation to make good the shortfall, if any. The expenses on account of provident fund maintained by the trust 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 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 recognised 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.

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 incurred.

- **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. The measurement amount also include estimation of the costs of dismantling and removing the item and restoring the site at present value and stripping cost incurred in the production phase of surface mines.

3.15.1.2. Other Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and are 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 which 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 but not yet effective

The standard isszued but ot yet effective up to the date of issuance of the Company's Financial Statements is disclosed below. The Company intends to adopt this Standard when it becomes effective.

- Ind-AS 7 – Statement of Cash Flows

The MCA has notified Companies (Indian Accounting Standards) (Amendment) Rules, 2017 to amend the above Ind-AS's. The amendment will come into force from accounting period commencing on or after 1st April, 2017. The Company is in the process of assessing the possible impact of Ind-AS 7 : Statement of Cash Flows 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 for the year ended 31st March 2017

5. PROPERTY, PLANT AND EQUIPMENT

(` in lacs)

Particulars	Year Ended 31st March 2016												
	Gross Carrying Amount						Accumulated Depreciation						
	Deemed cost as at 1st April 2015	Additions	Transfer	Disposals	Other Adjust-ments	As at 31st March 2016	As at 1st April 2015	Depre-ciation charged during the year	Transfer/ Inter Unit Transfer	Deductions	Other Adjust-ments	As at 31st March 2016	Net Carrying Amount
Leasehold Land	57.32	–		–	–	57.32	–	0.81		–	–	0.81	56.51
Freehold Land (Refer note 5.1)	7,697.26	701.14		–	–	8,398.40	–	–		–	–	–	8,398.40
Sub-Total	7,754.58	701.14	–	–	–	8,455.72	–	0.81	–	–	–	0.81	8,454.91
Buildings (Refer note 5.1)	14,299.22	3,406.24		–	268.78	17,974.24	–	677.83		–	–	677.83	17,296.41
Plant and Machinery	1,66,062.87	17,994.34		422.48	2,961.93	1,86,596.66	–	13,285.48		22.44	–	13,263.04	1,73,333.62
Furniture and Fittings	507.51	91.24		0.24	–	598.51	–	72.16		–	–	72.16	526.35
Vehicles	1,036.59	356.80		2.42	–	1,390.97	–	231.57		0.41	–	231.16	1,159.81
Office Equipments	942.41	260.74		2.02	3.32	1,204.45	–	342.56		0.13	–	342.43	862.02
Railway Slidings	1,022.37	1.60		–	2.57	1,026.54	–	89.21		–	–	89.21	937.33
Total	**1,91,625.55**	**22,812.10**	**–**	**427.16**	**3,236.60**	**2,17,247.09**	**–**	**14,699.62**	**–**	**22.98**	**–**	**14,676.64**	**2,02,570.45**
Capital Work-In-Progress	12,269.87	2,193.03	8,166.31		28.10	6,324.69	–	–		–	–	–	6,324.69

Particulars	Year Ended 31st March 2017												
	Gross Carrying Amount						Accumulated Depreciation						
	Original Cost as at 1st April 2016	Additions	Transfer	Disposals	Other Adjust-ments	As at 31st March 2017	As at 1st April 2015	Depre-ciation charged during the year	Transfer/ Inter Unit Transfer	Deductions	Other Adjust-ments	As at 31st March 20167	Net Carrying Amount
Leasehold Land	57.32	–		–	–	57.32	0.81	1.01		0.19	–	1.63	55.69
Freehold Land	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	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	1,86,596.66	10,044.84		172.96	248.31	1,96,716.85	13,263.04	13,210.14		6.68	–	26,466.50	1,70,250.35
Furniture and Fittings	598.51	59.25		0.85	–	656.91	72.16	76.33		0.56	–	147.93	508.98
Vehicles	1,390.97	190.52		31.23	–	1,550.26	231.16	237.74		19.92	–	448.98	1,101.28
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 Slidings	1,026.54	–		–	0.91	1,027.45	89.21	89.34		-	–	178.55	848.90
Total	**2,17,247.09**	**12,734.34**	**–**	**218.63**	**318.69**	**2,30,081.49**	**14,676.64**	**14,676.40**	**–**	**28.77**	**–**	**29,324.27**	**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 Includes ` 8.85 in Land and ` 915.26 in Building under Co-ownership basis and also ` 0.15 being value of investments in Shares of a Private Limited Company.

5.2 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. 38.2 to the financial statement. Accordingly, the amount decapitalized during the year with the Property, Plant and Equipment amounts to ` 11.93 (Previous Year capitalized ` 2,648.38) .

5.3 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ` 87.79 (Previous Year ` 257.89). (Refer Note No. 36)

5.4 Refer note no. 45 for information on property, plant and equipment pledged as securities by the Company.

5.5 Refer note no. 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

6. INVESTMENT PROPERTY

(` in lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Gross Carrying Amount		
Opening gross carrying amount/Deemed cost	9.45	9.45
Addition/Other Adjustments	9.64	
Closing gross carrying amount/Deemed cost	**19.09**	**9.45**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.25	–
Depreciation charged during the year	0.50	0.25
Closing Accumulated Depreciation	0.75	0.25
Net Carrying Amount	**18.34**	**9.20**

6.1 The fair value of the Company's investment properties as at 1st April 2015, 31st March 2016 and 31st March 2017 are ` 2009.84, ` 2125.65 and ` 2240.48 Lacs respectively. The fair value has been arrived on the basis of valuation performed by an independent valuer, who is valuing these types of investements 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, 2017	Year ended 31st March, 2016
Rental Income	13.68	7.73
Direct Operating Expenses in relation to		
Properties generating rental income	52.94	75.14

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 Refer note no. 45 for information on investment property pledged as securities by the Company.

6.5 Contractual commitments for the acquisition of Investment Property is NIL (Previous Year-31.3.2016 NIL and 1.4.2015 NIL).

7. INTANGIBLE ASSETS

(` in lacs)

Particulars	Year Ended 31st March 2016										
	Gross Carrying Amount					Accumulated Amortization					Net Carrying Amount
	Deemed cost as at 1st April 2015	Additions	Disposals / Transfer	Other Adjustments	**As at 31st March 2016**	As at 1st April 2015	Depreciation charged during the year	Deductions	Other Adjustments	**As at 31st March 2016**	
Computer Software	189.73	–	–	–	189.73	–	135.23	–	–	135.23	54.50
Mining Rights	223.23	–	–	–	223.23	–	11.82	–	–	11.82	211.41
Total	412.96	–	–	–	412.96	–	147.05	–	–	147.05	265.91

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` 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. 45 for information on property, plant and equipment pledged as securities by the Company.

8. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(` in lacs)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Balance	82.55	90.22
Additions	4.60	–
Disposals	1.39	1.00
Fair Value Adjustments	(3.74)	(6.67)
Closing Balance	**82.02**	**82.55**

8.1 The Company owns bearer biological assets i.e, live stock from which milk is produced. The live stock 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

(` in lacs)

Particulars	Face Value of ` 10 each unless otherwise stated	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
		Qty	Amount	Qty	Amount	Qty	Amount
EQUITY INVESTMENTS VALUED AT COST							
UNQUOTED							
Investments In Subsidiaries							
Birla Corporation Cement Mfg PLC	1,000 Birr	1,699	45.22	1,699	45.22	1,699	45.22
Less: Impairment			45.22		45.22		45.22
Net			–		–		–
Reliance Cement Co. Pvt Ltd.		31,28,22,900	2,25,352.00	–	–	–	–
Talavadi Cements Ltd.		58,80,400	588.04	58,80,400	588.04	58,80,400	588.04
Budge Budge Floor Coverings Ltd.		40,00,000	200.02	40,00,000	200.02	40,00,000	200.02
Lok Cements Ltd.		10,00,700	100.57	10,00,700	100.57	10,00,700	100.57
Birla Cement (Assam) Ltd.		50,000	5.00	50,000	5.00	50,000	5.00
Birla Jute Supply Co. Ltd.		6,000	3.00	6,000	3.00	6,000	3.00
MP Birla Group Services Pvt. Ltd		20,000	2.00	20,000	2.00	20,000	2.00
Sub Total			**2,26,250.63**		**898.63**		**898.63**
Investment In Associates							
Birla Odessa Industries Pvt. Ltd.		4,910	0.49	4,910	0.49	4,910	0.49
Birla Readymix (P) Ltd.		5,000	0.50	5,000	0.50	5,000	0.50
Sub Total			**0.99**		**0.99**		**0.99**
TOTAL			**2,26,251.62**		**899.62**		**899.62**
Aggregate Book Value of Unquoted Investments			**2,26,296.84**		**944.84**		**944.84**
Aggregate amount of Impairment in value of Investments			**45.22**		**45.22**		**45.22**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

10. NON-CURRENT INVESTMENTS (` in lacs)

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
DEBT INSTRUMENTS AT AMORTISED COST								
Investment in Government Securities								
Quoted								
8.33% GOI 2036		100	–	–	–	–	25,00,000	2,699.95
7.35% GOI 2024		100	–	–	–	–	5,00,000	498.30
7.80% GOI 2021		100	–	–	–	–	10,00,000	951.49
7.94% GOI 2021		100	–	–	–	–	10,00,000	1,029.61
6.90% GOI 2019		100	–	–	–	–	1,00,000	99.90
6.05% GOI 2019		100	–	–	–	–	40,00,000	3,901.08
Sub Total				**–**		**–**		**9,180.33**
Unquoted								
National Savings Certificate	10.1	7,500	1	0.08	1	0.08	1	0.08
Sub Total				**0.08**		**0.08**		**0.08**
Investments In Quoted Bonds								
9.70% IFCI Ltd. 2030		10,00,000	–	–	–	–	63	630.00
8.16% Power Finance Corporation Ltd. 2026		1,00,000	–	–	–	–	1,000	1,000.00
9.55% IFCI Ltd. 2025		10,00,000	–	–	–	–	13	130.00
8.00% Indian Railways Finance Corporation Ltd. 2022		1,000	–	–	–	–	21,751	217.51
8.20% National Highways Authority of India 2022		1,000	–	–	–	–	24,724	247.24
0.00% NABARD Bhavishya Nirman Bond 2019		20,000	–	–	–	–	52,120	7,717.37
11.00% IDBI Bank Ltd. 2018		10,00,000	–	–	–	–	50	523.63
11.00% Power Finance Corporation Ltd. 2018		10,00,000	–	–	–	–	50	531.23
6.30% Indian Railway Finance Corporation Ltd. 2017		1,00,000	–	–	–	–	275	268.17
8.85% Canara Bank 2016		10,00,000	–	–	–	–	50	500.89
8.90% Konkan Railway Corporation Ltd. 2016		10,00,000	–	–	–	–	50	501.20
Sub Total				**–**		**–**		**12,267.24**
TOTAL (A)				**0.08**		**0.08**		**21,447.65**
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME								
Equity Instruments								
Quoted								
Century Textiles & Industries Ltd.		10	18,07,660	19,037.37	18,07,660	9,575.18	18,07,660	11,517.51
Birla Cables Ltd. (Erstwhile Birla Ericsson Optical Ltd)		10	53,88,515	2,112.30	9,38,515	293.29	9,38,515	496.01
Universal Cables Ltd.	10.2	10	8,00,157	807.76	8,00,157	579.31	4,68,000	181.82
Hindustan Media Ventures Ltd		10	4,440	12.60	600	1.50	600	1.32
Rameshwara Jute Mills Ltd.		10	19,133	1.20	19,133	1.20	19,133	1.20
Vindhya Telelinks Ltd.		10	100	0.65	100	0.62	100	0.51
Birla Precision Technologies Ltd		2	2,121	0.10	2,121	0.06	2,121	0.06
Zenith Birla (I) Ltd.		10	6,362	0.03	6,362	0.04	6,362	0.06
Sub Total				**21,972.01**		**10,451.20**		**12,198.49**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
Unquoted								
Birla Buildings Ltd.			24,000	2.47	24,000	2.47	24,000	2.47
Neosym Industry Limited		10	52,000	1.19	52,000	1.19	52,000	1.19
Lotus Court Ltd.		10	1	0.46	1	0.46	1	0.46
Industry House Ltd.		10	600	0.40	600	0.40	600	0.40
Eastern Economist Ltd.		10	400	0.40	400	0.40	400	0.40
Woodlands Multispeciality Hospital Ltd.		10	520	0.05	520	0.05	520	0.05
Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.01	10	0.01	10	0.01
Elgin Mills Co. Ltd		10	2,250	0.14	2,250	0.14	2,250	0.14
Bally Jute Mills Employees Consumers' Co-operative Stores Limited.		10	250	0.03	250	0.03	250	0.03
Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.01	15	0.01	15	0.01
Craig Jute Mills Ltd		3	50	0.00	50	0.00	50	0.00
Sub Total				**5.16**		**5.16**		**5.16**
Investment in Quoted Government Securities								
6.90% GOI 2019		100	1,00,000	100.85	1,00,000	98.56	–	–
6.05% GOI 2019		100	–	–	40,00,000	3,863.60	–	–
8.33% GOI 2036		100	–	–	25,00,000	2,603.75	–	–
7.94% GOI 2021		100	–	–	10,00,000	1,010.70	–	–
7.80% GOI 2021		100	–	–	10,00,000	1,008.20	–	–
7.35% GOI 2024		100	–	–	5,00,000	489.50	–	–
Sub Total				**100.85**		**9,074.31**		**–**
Investments In Quoted Bonds								
9.70% IFCI Ltd. 2030		10,00,000	63	671.30	63	678.80	–	–
9.55% IFCI Ltd. 2025		10,00,000	13	135.44	13	134.04	–	–
0.00% NABARD Bhavishya Nirman Bond 2019		20,000	–	–	52,120	8,397.32	–	–
8.16% Power Finance Corporation Ltd. 2026		1,00,000	–	–	1,000	1,214.60	–	–
11.00% IDBI Bank Ltd. 2018		10,00,000	–	–	50	534.10	–	–
11.00% Power Finance Corporation Ltd. 2018		10,00,000	–	–	50	531.75	–	–
8.20% National Highways Authority of India 2022		1,000	–	–	24,724	279.08	–	–
8.00% Indian Railways Finance Corporation Ltd. 2022		1,000	–	–	21,751	243.68	–	–
Sub Total				**806.74**		**12,013.37**		**–**
TOTAL (B)				**22,884.76**		**31,544.05**		**12,203.65**
INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS								
Invetsment In Preference Shares–Unquoted								
Reliance Cement Co. Pvt Ltd. 10% Reedemable cumulative Preference Shares		100	1,00,00,000	10,257.00	–	–	–	–
Elgin Mills Co. Ltd.			100	0.01	100	0.01	100	0.01
Sub Total				**10,257.01**		**0.01**		**0.01**
Investments in Mutual Funds								
QUOTED								
ICICI Prudential FMP Series 70 - 372 Days Plan L Direct Plan Growth			–	–	–	–	60,99,999	702.32
Sub Total				**–**		**–**		**702.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
UNQUOTED								
UTI Master Share Unit Scheme–Dividend Plan–Payout			7,200	2.33	7,200	2.17	7,200	2.59
L&T Short Term Opportunities Fund Direct Plan Growth			–	–	–	–	4,05,03,429	5,471.45
IDFC SSIF Short Term Direct Plan Growth			–	–	–	–	1,17,47,209	3,409.20
IDFC SSIF Medium Term Direct Plan Growth			–	–	–	–	1,21,40,243	2,908.24
HDFC Medium Term Opportunities Fund Direct Plan Growth			–	–	–	–	1,52,75,105	2,325.42
HDFC Short Term Opportunities Fund Direct Plan Growth			–	–	–	–	1,50,58,045	2,301.02
JM Short Term Fund Direct Plan Growth			–	–	–	–	17,73,186	353.86
Sub Total				**2.33**		**2.17**		**16,771.78**
TOTAL (C)				**10,259.34**		**2.18**		**17,474.11**
TOTAL NON–CURRENT INVESTMENTS				**33,144.18**		**31,546.30**		**51,125.41**
Aggregate Book Value of Quoted Investments				**22,879.60**		**31,538.88**		**34,348.38**
Aggregate Fair Value of Quoted Investments				**22,879.60**		**31,538.88**		**34,264.23**
Aggregate Amount of Unquoted Investments				**10,264.58**		**7.42**		**16,777.03**

Notes :

10.1 Deposited with Government Department as Security.

10.2 Shares of Universal Cables Ltd includes 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 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.

11. TRADE RECEIVABLES

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Trade Receivables	11.1 & 11.2	1,199.29	1,102.03	1,130.26	8,948.93	9,423.93	8,691.80
Less: Provision for Doubtful Receivables		1,199.29	1,102.03	1,130.26	–	–	–
Total Trade Receivables		**–**	**–**	**–**	**8,948.93**	**9,423.93**	**8,691.80**
Break Up of Security Details							
Secured, considered good		–	–	–	6,454.31	3,485.55	2,026.48
Unsecured, considered good		–	–	–	2,494.62	5,938.38	6,665.32
Doubtful		1,199.29	1,102.03	1,130.26	–	–	–
Total		**1,199.29**	**1,102.03**	**1,130.26**	**8,948.93**	**9,423.93**	**8,691.80**
Less : Provision for Doubtful Receivables		1,199.29	1,102.03	1,130.26	–	–	–
Total Trade Receivables		**–**	**–**	**–**	**8,948.93**	**9,423.93**	**8,691.80**

11.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

11.2 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

12. LOANS

Particulars	Refer Note No.	Long Term			Short Term		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Loan & Advances to Related Parties							
Unsecured, considered good	12.1 & 12.2	305.00	248.75	222.70	0.17	0.10	–
Unsecured,considered doubtful		7.30	4.09	4.09	–	–	–
		312.30	252.84	226.79	0.17	0.10	–
Less : Provision for doubtful advances		7.30	4.09	4.09	–	–	–
		305.00	248.75	222.70	0.17	0.10	–
Other Loans and Advances							
Advance to Employees, unsecured, considered good		40.63	37.18	32.98	154.21	210.91	162.76
Total Loans		**345.63**	**285.93**	**255.68**	**154.38**	**211.01**	**162.76**

12.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person.

12.2 Details of loans and advances to related parties as required by sec. 186 of the Companies Act, 2013

Particulars	Refer Note No.	Balance Outstanding			Maximum amount Outstanding		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
i. **Subsidiary Companies**							
Reliance Cement Company Private Limited	(iii)(b)	47.58			5904.06		
Lok Cements Limited	(iii)(a)	257.42	248.75	222.70	257.43	248.75	226.80
Birla Corporation Cement Manufacturing PLC	(iii)(b) & (iii)(c)	–			7.30	4.09	4.13
Talavadi Cements Limited		–	–	–	3.91	10.54	33.44
Birla Jute Supply Co. Limited		–	–	–	0.65	–	–
Budge Budge Floorcoverings Limited		–	–	–	0.51	0.35	0.04
Birla Cement (Assam) Limited		–	–	–	0.23	0.08	–
M.P.Birla Group Services Pvt. Ltd.		–	–	–	0.01	–	–
ii. Associate Companies							
Birla Odessa Industries Private Limited	(iii)(b)	0.08	0.04	–	0.08	0.04	0.02
Birla Readymix Private Limited	(iii)(b)	0.09	0.06	–	0.09	0.06	2.00
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							

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

13 OTHERS FINANCIAL ASSETS

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Security Deposits							
Unsecured, considered good		2,851.29	3,050.62	2,813.07	–	–	–
		2,851.29	**3,050.62**	**2,813.07**	**–**	**–**	**–**
Other Deposits and Advances							
Unsecured, considered good		212.05	156.24	157.61	542.91	43.33	32.56
Unsecured, considered doubtful		124.33	124.36	124.33	–	–	–
		336.38	280.60	281.94	542.91	43.33	32.56
Less : Provision for doubtful advances		124.33	124.36	124.33	–	–	–
		212.05	**156.24**	**157.61**	**542.91**	**43.33**	**32.56**
Deposits with Bank having maturity of more than one year from the balance sheet date	13.1	88.12	42.94	73.90	–	–	–
Interest Accrued on Deposit		5.50	6.53	11.98	428.73	426.32	1,411.96
Interest Accrued on Investment							910.91
Amount paid under Protest		236.54	236.54	236.54			
Others					6.96	5.19	7.88
		3,393.50	**3,492.87**	**3,293.10**	**978.60**	**474.84**	**2,363.31**

13.1 Represents deposits marked lien in favour of Govt. Authorities

14. OTHER ASSETS

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Capital Advances		897.60	697.02	1,277.29	–	–	–
Advances other than Capital Advances							
Advance against supply of Goods and Services					13,644.05	5,729.14	6,016.83
Prepaid Expenses		667.44	220.87	196.41	319.44	218.35	320.77
Amount paid under Protest		2,983.41	3,968.63	3,344.80			
Balances with Government & Statutory Authorities		43.94	16.37	20.95	5,576.45	4,492.18	3,831.14
Incentive and Subsidy Receivable		143.65	143.65	143.65	18,296.07	14,938.37	12,025.61
Less : Provision		(143.65)	(143.65)	(143.65)	–	–	–
Security Depopsits							
Unsecured considered good		188.43	216.15	242.79	40.64	40.64	40.64
Other Advances		992.53	93.13	93.13	10.26	1,218.58	1,220.24
Less : Provision for Doubtful Advances		(52.03)	(52.03)	(52.03)	–	–	–
Total Other Assets		**5,721.32**	**5,160.14**	**5,123.34**	**37,886.91**	**26,637.26**	**23,455.23**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

15. INVENTORIES

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
(As valued and certified by the Management)	3.1			
Raw Materials	15.1	6,009.59	6,900.85	6,553.72
Work-In-Progress		9,505.46	11,534.48	11,122.27
Finished Goods	15.1	11,649.44	12,146.95	11,155.95
Stores and Spares etc.	15.1	21,868.56	26,115.05	26,379.08
		49,033.05	**56,697.33**	**55,211.02**

15.1 The above includes goods-in-transit as under :				
Raw Materials		–	835.64	579.48
Finished Goods		384.80	–	605.27
Stores and Spares etc.		534.23	154.50	136.55
		919.03	**990.14**	**1,321.30**

16. CURRENT INVESTMENTS

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
DEBT INSTRUMENTS AT AMORTISED COST								
Investments In Quoted Bonds								
8.70% Power Finance Corporation Ltd. 2015		10,00,000	–	–	–	–	500	4,999.95
8.15% IDFC Ltd. 2015		10,00,000	–	–	–	–	180	1,799.09
Sub Total				–		–		6,799.04
TOTAL (A)				–		–		6,799.04
INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME								
Investments In Quoted Bonds								
8.85% Canara Bank 2016		10,00,000	–	–	50	500.00	–	–
8.90% Konkan Railway Corporation Ltd. 2016		10,00,000	–	–	50	500.00	–	–
6.30% Indian Railway Finance Corporation Ltd. 2017		1,00,000	–	–	275	277.45	–	–
Sub Total				–		1,277.45		–

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS								
Investments in Mutual Funds								
QUOTED								
ICICI Prudential FMP Series 70 - 372 Days Plan L Direct Plan Growth			–	–	60,99,999	760.49	–	–
Reliance Interval Fund Series 8–Direct Plan Growth			–	–	–	–	2,76,40,684	3,212.81
Religare Invesco Fmp–Series 23–Plan N (367 Days)–Direct Plan Growth			–	–	–	–	2,00,00,000	2,142.90
Reliance Fixed Horizon Fund XXII Series 21 Growth			–	–	–	–	1,67,89,651	2,109.72
IDFC Fixed Tem Plan Series 2 Growth			–	–	–	–	1,50,00,000	1,880.78
Reliance Fixed Horizon Fund XXII Series 26 Growth			–	–	–	–	1,50,00,000	1,873.23
ICICI Prudential FMP Series 74–370 Days Plan S Direct Plan			–	–	–	–	1,00,00,000	1,070.90
Reliance Fixed Horizon Fund XXII Series 34 Growth			–	–	–	–	62,50,000	763.11
Reliance Fixed Horizon Fund XXII Series 29 Growth			–	–	–	–	51,54,220	630.79
Reliance Fixed Horizon Fund–Xxvi Series 25 –Direct Plan Growth			–	–	–	–	50,00,000	538.41
ICICI Prudential Fmp Series 74–367 Days Plan N			–	–	–	–	50,00,000	537.72
ICICIPrudential Fmp Series 74–369 Days Plan L			–	–	–	–	50,00,000	537.61
ICICI Fmp Series 78 – 95 Day Plan M Direct Plan Growth			–	–	1,00,00,000	1,009.01	–	–
ICICI Fmp Series 78 – 95 Day Plan K Direct Plan Growth			–	–	2,00,00,000	2,022.96	–	–
HDFC Fmp 92 D March 2016–Direct Growth			–	–	1,50,00,000	1,512.20	–	–
Sub Total				**–**		**5,304.66**		**15,297.98**
UNQUOTED								
IDFC Super Saver Income Fund Short Term Direct Plan Growth			59,88,862	2,055.29	2,22,95,626	7,031.15	1,05,48,418	3,061.30
L&T Short Term Opportunities Fund Direct Plan Growth			–	–	4,05,03,429	5,929.01	–	–
HDFC Short Term Opportunities Fund Direct Plan Growth			1,14,63,365	2,074.93	3,86,83,255	6,420.76	2,36,25,210	3,610.17
Religare Invesco Short Term Fund Direct Plan Growth			–	–	1,82,039	3,735.64	1,57,092	2,995.14
IDFC SSIF Medium Term Direct Plan Growth			–	–	1,21,40,242	3,148.20	–	–
HDFC Medium Term Opportunities Fund Direct Plan Growth			–	–	5,54,32,962	9,166.89	4,02,30,945	6,117.17
UTI Short Term Income Fund Institutional Option Direct Plan Growth			–	–	86,87,245	1,601.06	86,87,245	1,474.62
UTI Short Term Income Fund Institutional Option Growth			–	–	–	–	74,18,067	1,247.99
DHFL Premier Bond Fund Direct Plan Growth			–	–	51,32,759	1,273.16	51,32,759	1,181.49
Reliance Short Term Fund Direct Plan Growth			–	–	22,86,948	659.19	22,86,948	607.22
L&T Cash Fund Direct Plan Growth			77,152	1,010.60	1,18,237	1,449.03	77,151	874.29
JM Short Term Fund Direct Plan Growth			–	–	17,73,186	379.22	–	–
AXIS Short Term Fund Direct Plan Growth			–	–	1,95,65,466	3,283.50	1,95,65,336	3,011.24
SBI Dynamic Bond Fund Direct Plan Growth			–	–	67,88,925	1,256.07	67,88,958	1,182.49
SBI Short Term Debt Fund Direct Plan Growth			–	–	2,96,88,277	5,203.76	2,96,88,126	4,793.39
Kotak Treasury Advantage Fund Direct Growth			1,56,46,745	4,124.34	1,08,59,148	2,644.94	–	–
DSP Black Ultra Short Term Fund			2,76,76,000	3,295.58	–	–	–	–
HDFC Liquid Fund Direct Plan Growth			37,487	1,202.94				
SBI Ultra Short Term Debt Fund – Direct Plan Growth			1,46,456	3,087.19	–	–	–	–
Tata Ultra Short Term Fund Direct Plan Growth			1,23,994	3,076.98	–	–	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	Refer Note	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
IDFC Ultra Short Term Fund Direct Plan Growth			1,11,53,370	2,582.32	1,21,61,815	2,592.56	–	–
L & T Ultra Short Term Fund Direct Plan – Growth			95,13,223	2,559.28	–	–	–	–
ICICI Prudential Flexible Income –Direct Plan –Growth			6,53,993	2,044.21	22,42,186	6,434.96	–	–
HDFC Cash Mgt Plan Treasury Advantage Direct Plan Growth			43,68,623	1,547.68	–	–	–	–
SBI Premier Liquid Fund Dir Plan Growth	16.1		43,406	1,107.86	21,027	500.65	–	–
Reliance Liquid Fund – Treasury Plan – Direct Growth			10,085	400.12	–	–	–	–
ICICIPrudential Money Market Fund Direct Plan Growth			1,77,810	400.11	–	–	–	–
Axis Liquid Fund–Direct Growth			22,189	400.11	–	–	–	–
Reliance Money Manager Fund – Direct Growth Plan – Growth Option			–	–	5,27,463	11,075.12	5,27,463	10,183.11
ICICI Ultra Short Term Plan Direct Growth			–	–	6,43,77,202	10,046.90	–	–
Reliance Medium Term Fund – Direct Plan Growth			46,76,548	1,622.28	2,72,04,916	8,633.37	1,38,61,193	4,036.52
SBI Ultra Short Term Fund Direct Plan Growth			–	–	2,89,847	5,657.40	–	–
HDFC Floating Rate Income Fund – Short Term Plan – Direct Plan Growth			–	–	2,14,10,889	5,588.28	1,73,05,746	4,150.75
L&T Ultra Short Term Fund Direct Plan Growth			–	–	1,72,72,862	4,286.21	–	–
Sundaram Ultra Short Term Fund Direct Plan Growth			–	–	1,80,37,673	3,784.16	–	–
IDFC Money Manager Fund Tp Direct Plan Growth			–	–	1,07,24,138	2,591.45	2,22,41,449	4,934.91
UTI Treasury Advantage Fund Direct Plan Growth			–	–	1,03,430	2,145.04	–	–
Reliance Banking & PSU Debt Fund – Direct Growth Plan			–	–	1,94,24,036	2,099.23	–	–
Reliance Liquid Fund Cash Plan Direct Plan Growth			–	–	80,627	1,971.78	–	–
IDFC Dynamic Bond Fund Direct Plan Growth			–	–	1,06,54,698	1,956.34	1,06,54,696	1,844.25
Taurus Liquid Fund Direct Plan Growth			–	–	1,13,605	1,865.89	–	–
India bulls liquid fund direct plan growth			–	–	81,393	1,202.23	–	–
L&T Ultrashort Term Fund Direct Plan Bonus Plan			–	–	86,47,717	1,170.50	47,16,937	1,075.79
Axis Banking Debt Fund Direct Plan Growth			–	–	72,475	1,010.60	2,40,404	3,086.37
Kotak Liquid Fund Plan A Direct Plan Growth			–	–	32,565	1,001.07	44,300	1,258.02
Sundaram Money Fund Direct Plan Growth			–	–	31,32,685	1,001.07	–	–
Religare Invesco Bank Debt Fund – Direct Plan Growth			–	–	38,556	502.46	–	–
L&T Liquid Fund Direct Plan Growth			28,931	645.15	24,084	500.44	18,158	348.39
ICICI Money Market Fund Direct Plan Growth			–	–	–	–	33,72,121	6,524.63
IDFC Cash Fund Growth Direct Plan			–	–	–	–	72,394	1,231.11
Reliance Liquid Fund Tp Direct Plan Growth			–	–	–	–	43,995	1,500.80
Religare Invesco Liquid Fund Direct Plan Growth			–	–	–	–	1,56,451	3,011.67
Axis Treasury Advantage Fund Direct Growth			–	–	–	–	60,795	952.04
HDFC Banking & PSU Debt Fund Direct Plan Growth			–	–	–	–	6,36,29,878	7,022.06
Sub Total				**33,236.97**		**1,30,799.29**		**81,316.93**
TOTAL (B)				**33,236.97**		**1,37,381.40**		**96,614.91**
TOTAL CURRENT INVESTMENTS				**33,236.97**		**1,37,381.40**		**1,03,413.95**
Aggregate Book Value of Quoted Investments				**–**		**6,582.11**		**22,097.02**
Aggregate Fair Value of Quoted Investments				**–**		**6,582.11**		**22,097.98**
Aggregate amount of Unquoted Investments				**33,236.97**		**1,30,799.29**		**81,316.93**
Aggregate amount of Impairment in value of Investments								

16.1 Out of the same 23810.690 units are held as margin in favour of State Bank of India against Bank Guarantee.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

17. CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Balances With Banks :				
In Current/Cash Credit Account		2,776.86	2,533.94	2,454.85
In Deposit Accounts with Original Maturity of less than three months		2,665.00	5,623.45	1,452.00
Cheques/drafts on Hand		2,292.02	2,510.07	3,146.78
Cash in Hand		13.16	17.69	21.97
		7,747.04	**10,685.15**	**7,075.60**

18. BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account		134.46	140.10	129.92
Earmarked balances with Banks-Fixed Deposit		–	1,800.00	–
Balances with Bank held as margin money/ security		278.10	266.50	253.58
Other Fixed Deposit with Banks	18.1	21,912.66	23,331.77	39,217.96
		22,325.22	**25,538.37**	**39,601.46**

18.1	Includes deposits marked lien in favour of Govt. Authorities		12.66	8.27	7.76

19. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	128.12	128.24	128.24
		128.12	**128.24**	**128.24**

19.1 Suspension of Operations was declared of the Company's Unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29.10.2001. Subsequently, closure of the Unit was declared w.e.f. 31.01.2005. However, Plant & Machinery could not be disposed off due to absence of any Buyer to purchase the same in view of lot of technological developments taken place after commissioning of the Plant. A resolution was passed by Board of Directors of the Company on 4th November 2015 for disposal of assets of the Unit. Currently, there are several interested buyers and it is expected that sale will be completed by December, 2017.The assets of the Unit comprising plant & machineries is 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.58. 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 for the year ended 31st March 2017

(` in lacs)

20. EQUITY SHARE CAPITAL

	Particulars	Refer Note No.	Long Term			Short Term		
			As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
20.1	**Authorised Share Capital**							
	Ordinary Shares of `10/- each		9,00,00,000	9,000.00	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	10,00,000	1,000.00
			9,10,00,000	**10,000.00**	**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**	**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	7,70,05,347	7,700.53
	Add : Forfeited Ordinary Shares (Amount originally paid-up)			0.36		0.36		0.36
			7,70,05,347	**7,700.89**	**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 with 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

	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. of Shares	% Holding	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	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	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	45,20,572	5.87
Life Insurance Corporation of India	27,08,172	3.52	38,05,519	4.94	39,48,117	5.13

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 for the year ended 31st March 2017

(` in lacs)

21. OTHER EQUITY

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Capital Reserve	21.1	**105.08**	**105.08**	**105.08**
Debenture Redemption Reserve	21.2	6,157.64	7,575.00	6,575.00
General Reserve	21.3	2,53,005.17	2,35,005.17	2,27,905.17
Foreign Currency Monetary Item Translation Difference Account	21.4	(633.67)	(2,181.20)	(1,238.19)
Retained Earnings	21.5	36,627.98	37,371.76	34,264.28
Other Comprehensive Income	21.6	14,449.57	6,960.02	8,400.35
		3,09,711.77	**2,84,835.83**	**2,76,011.69**

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016
21.1 Capital Reserve			
Surplus on Amalgamation			
Balance at the beginning and at the end of the year		105.08	105.08
		105.08	**105.08**
21.2 Debenture Redemption Reserve			
Balance at the beginning of the year		7,575.00	6,575.00
Add : Transferred from Retained Earnings		1,582.64	1,000.00
Less : Transferred to General Reserve on redemption of Debentures		3,000.00	–
Balance at the end of the year		**6,157.64**	**7,575.00**
21.3 General Reserve			
Balance at the beginning of the year		2,35,005.17	2,27,905.17
Add : Transferred from Retained Earnings		15,000.00	7,100.00
Add : Transferred from Debenture Redemption Reserve		3,000.00	–
Balance at the end of the year		**2,53,005.17**	**2,35,005.17**
21.4 Foreign Currency Monetary Item Translation Difference Account			
Balance at the beginning of the year		(2,181.20)	(1,238.19)
Add : Exchange Gain/(Loss) during the year		(54.88)	(1,889.37)
Less : Amortization during the year	38.2	1,602.41	946.36
Balance at the end of the year		**(633.67)**	**(2,181.20)**
21.5 Retained Earnings			
Balance at the beginning of the year		37,371.76	34,264.28
Add : Profit for the Year		21,399.77	16,768.39
		58,771.53	51,032.67
Less : Appropriation			
Debenture Redemption Reserve		1,582.64	1,000.00
Final Dividend		4,620.32	4,620.32
Corporate Dividend Tax on Final Dividend		940.59	940.59
General Reserve		15,000.00	7,100.00
		22,143.55	**13,660.91**
Balance at the end of the year		**36,627.98**	**37,371.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

		Refer Note No.	As at 31st March, 2017	As at 31st March, 2016
21.6	**Other Comprehensive Income**			
a.	**Equity instrument through Other Comprehensive Income**			
	Balance at the beginning of the year		7,146.99	8,400.35
	Add/(Less) : Change in Fair Value		10,269.45	(1,916.69)
	Add/(Less) : Tax on above		(2,191.66)	663.33
	Balance at the end of the year		**15,224.78**	**7,146.99**
b.	**Remeasurement of Defined Benefit Plans**			
	Balance at the beginning of the year		(100.44)	–
	Add/(Less) : Actuarial Gain/(Loss) based on the valuation		(842.36)	(153.60)
	Add/(Less) : Tax on above		180.40	53.16
	Balance at the end of the year		**(762.40)**	**(100.44)**
c.	**Debt instrument through Other Comprehensive Income**			
	Balance at the beginning of the year		(86.53)	–
	Add/(Less) : Change in Fair Value		68.15	(132.32)
	Add/(Less) : Reclassification from OCI to Statement of Profit & Loss		43.89	–
	Add/(Less) : Tax on above		(38.32)	45.79
	Balance at the end of the year		**(12.81)**	**(86.53)**
	Total Other Comprehensive Income		**14,449.57**	**6,960.02**

22. LONG TERM BORROWINGS

		Refer Note No.	Non-Current Portion			Current Maturities		
			As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
22.1	**Non-Convertible Debentures (NCD)**	22.4						
	(Face Value of ` 10,00,000/- each)							
	Non-Convertible Debentures (NCD)							
	2500 (Previous Year -31st March 2016 - Nil, 1st April 2015- Nil) **9.25% NCD 2026**		25,000.00	–	–	–	–	–
	1500 (Previous Year -31st March 2016 - Nil, 1st April 2015- Nil) **9.15% NCD 2021**		15,000.00	–	–	–	–	–
	1300 (Previous Year -31st March 2016 - 1300, 1st April 2015- 1300) **9.05% NCD 2020**		13,000.00	13,000.00	13,000.00	–	–	–
	1500 (Previous Year -31st March 2016 - 1500, 1st April 2015- 1500) **9.10% NCD 2020**		15,000.00	15,000.00	15,000.00	–	–	–
	Nil (Previous Year -31st March 2016 - 1200, 1st April 2015- 1200) **8.80% NCD 2017**		–	–	12,000.00	–	12,000.00	–
			68,000.00	**28,000.00**	**40,000.00**	**–**	**12,000.00**	**–**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

		Refer Note No.	Non-Current Portion			Current Maturities		
			As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
22.2	**Term Loans**							
	From Banks :							
	Rupee Loans	22.4	59,325.35	400.00	400.00	–	–	–
	Foreign Currency Loans	22.4	56195.43	50556.32	68924.54	9423.60	22879.75	5,956.88
			1,15,520.78	50,956.32	69,324.54	9,423.60	22,879.75	5,956.88
22.3	Finance lease obligations	22.5	12.33	12.36	12.25	0.94	0.94	0.94
	Total		1,83,533.11	78,968.68	1,09,336.79	9,424.54	34,880.69	5,957.82
	Amount disclosed under the head "Other Financial Liability"		–	–	–	(9,424.54)	(34,880.69)	(5,957.82)
			1,83,533.11	**78,968.68**	**1,09,336.79**	**–**	**–**	**–**
	Break Up of Security Details							
	Secured		1,83,520.78	78,956.32	1,09,324.54	9,423.60	34,879.75	5,956.88
	Unsecured		12.33	12.36	12.25	0.94	0.94	0.94
	Total		**1,83,533.11**	**78,968.68**	**1,09,336.79**	**9,424.54**	**34,880.69**	**5,957.82**

22.4 Terms and Conditions of Long Term Borrowings :

		Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
(a)	**Non–Convertible Debentures**				
	i) 9.25% NCD 2026	22.4 (d) (i)	25,000.00	–	–
	ii) 9.15% NCD 2021	22.4 (d) (ii)	15,000.00	–	–
	iii) 9.05% NCD 2020	22.4 (d) (iii)	13,000.00	13,000.00	13,000.00
	iv) 9.10% NCD 2020	22.4 (d) (iv)	15,000.00	15,000.00	15,000.00
(b)	**Rupee Term Loan - From Banks - in Indian Rupees**	22.4 (e)	60,000.00	–	–
(c)	**Foreign Currency Loan - From Banks - in Foreign Currency**	22.4 (f)	66,220.77	73,970.11	75,735.05

(d) Non-Convertible Debentures are redeemable fully at par as under :

i) ` 25,000.00, 9.25% NCD 2026 includes ` 6,000.00 repayable in August, 2024, ` 1,500.00 repayable in September, 2024, ` 6,000.00 repayable in August, 2025, ` 1,500.00 repayable in September, 2025, ` 8,000.00 repayable in August, 2026, ` 2,000.00 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 & certain intangible Assets of the Company's Cement Division, ranking pari-passu with other term lenders except Rupee Term Lenders.

(e) Rupee Loan from Bank are repayable as under :-

Term Loan ` 600,00.00, (Rate of Interest MCLR Plus spread of 0.05% to 0.35%)

i) ` 1,508.40 payable in 6 equal installments from November/December 2018 to February/March 2020

ii) ` 3,000.00 payable in 2 equal installments from May/June 2020 to August/September 2020

iii) ` 3,502.80 payable in 2 equal installments from November/December 2020 to February/March 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

iv) ` 3,997.20 payable in 2 equal installments from May/June 2021 to August/September 2021

v) ` 18,000.00 payable in 8 equal installments from November/December 2021 to August/September 2023

vi) ` 14,996.40 payable in 6 equal installments from November/December 2023 to February/March 2025

vii) ` 12,507.00 payable in 5 equal installments from May/June 2025 to May/June 2026

viii) ` 2,488.20 payable in August/September 2026

Rupee Term Loans are secured by first charge on movable and immovable Property, Plant and Equipment & certain intangible Assets of the Company's Jute Division and land situated at Birlapur and Narkeldanga, ranking pari-passu.

(f) Foreign Currency Loans from Banks are repayable as under:-

Term Loan ` 66,220.77 (Rate of Interest LIBOR 1M/3M/6M Plus spread of 150 bps to 175 bps)

i) ` 4,608.52 repayable in remaining seven semi-annual installments.

The above loan is secured by first charge on the movable and immovable Property, Plant and Equipment & certain intangible Assets of the Company's Cement Units at Chanderia (Rajasthan), ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

ii) ` 25,478.75 includes ` 5,790.63 repayable in September, 2017, ` 8,106.87 repayable in September, 2018 and ` 11,581.25 repayable in September, 2019.

iii) ` 10,191.50 includes ` 2,316.25 repayable in September, 2017, ` 3,242.75 repayable in September, 2018 and ` 4,632.50 repayable in September, 2019.

iv) ` 25,942.00 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 & certain intangible Assets of the Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

22.5 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 in to 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.

	As at 31.03.2017		As at 31.03.2016		As at 31.03.2015	
	Minimum lease payments	Present value of MLP	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	1.08	0.94
After One year but not more than five years	5.28	3.77	5.28	3.77	5.28	3.77
More than five years	44.46	8.56	45.54	8.59	46.62	8.48
Total minimum lease payments	**50.82**	**13.27**	**51.90**	**13.30**	**52.98**	**13.19**
Less : Amounts representing Finance Charges	37.55		38.60		39.79	
Present value of minimum lease payments	**13.27**	**13.27**	**13.30**	**13.30**	**13.19**	**13.19**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

23. OTHER FINANCIAL LIABILITIES

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Current maturities of Long Term Debt	22	–	–	–	9,423.60	34,879.75	5,956.88
Current maturities of Finance Lease Obligations	22	–	–	–	0.94	0.94	0.94
Trade & Security Deposits (Unsecured)		22,032.22	18,482.87	15,773.62	14.33	4.70	15.65
Interest accrued but not due on Borrowings		–	–	–	3,075.41	791.68	776.05
Unpaid and Unclaimed Dividends		–	–	–	134.46	140.10	129.92
Employees Related Liabilities		–	–	–	1,559.00	1,382.19	701.57
Amount payable for Capital Goods		–	–	–	1,894.60	1,670.02	2,476.67
Other Payables (include rebates and discounts)		–	–	–	23,822.94	8,559.34	6,945.70
Liability Under Litigation		2,723.63	2,627.51	2,518.41	–	–	–
Less : Paid Under Protest		(1,875.31)	(1,775.95)	(1,668.30)	–	–	–
		22,880.54	**19,334.43**	**16,623.73**	**39,925.28**	**47,428.72**	**17,003.38**

24. PROVISIONS

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		2,927.67	2,507.03	2,324.51	1,190.86	1,332.14	1,808.96
Provision for Mines Restoration	24.1	–	–	–	500.58	506.17	506.17
		2,927.67	**2,507.03**	**2,324.51**	**1,691.44**	**1,838.31**	**2,315.13**

24.1 Movement of Provision :

Particulars	Provision for Mines Restoration	
	Non Current	Current
Balance as at 1st April, 2015	–	**506.17**
Balance as at 31st March, 2016	–	**506.17**
Provision utilized during the year	–	5.59
Balance as at 31st March, 2017	–	**500.58**

25. DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Liabilities			
Arising on account of :			
Depreciation	35,654.61	35,050.84	32,314.91
Mark to Market Gain on Investments	5,600.39	4,282.22	4,679.95
Others	39.96	325.94	330.97
	41,294.96	39,659.00	37,325.83
Less : Deferred Tax Assets			
Arising on account of :			
Mat Credit Entitlement	17,159.46	13,173.98	9,189.57
Items u/s 43B of Income Tax Act, 1961	6,927.86	6,411.87	6,951.90
Others	1,183.22	1,862.22	1,560.88
	25,270.54	21,448.07	17,702.35
Deferred Tax Liabilities (Net)	**16,024.42**	**18,210.93**	**19,623.48**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2016 and 31st March, 2017

	As at 1st April, 2015	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2016
Deferred Income Tax Liabilities				
Depreciation	32,314.91	2,735.93	–	35,050.84
Mark to Market Gain/(Loss) on Investments	4,679.95	311.39	(709.12)	4,282.22
Others	330.97	(5.03)	–	325.94
	37,325.83	**3,042.29**	**(709.12)**	**39,659.00**
Deferred Income Tax Assets				
Mat Credit Entitlement	9,189.57	3,984.41	–	13,173.98
Items u/s 43B of Income Tax Act, 1961	6,951.90	(540.03)	–	6,411.87
Others	1,560.88	301.34	–	1,862.22
	17,702.35	**3,745.72**	**–**	**21,448.07**

	As at 1st April, 2016	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2017
Deferred Income Tax Liabilities				
Depreciation	35,050.84	603.77	–	35,654.61
Mark to Market Gain/(Loss) on Investments through OCI	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 Income 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 recognized deferred tax assets of ` 21.17 (previous year - as on 31st March, 2016 ` 656.43, as on 1st April, 2015 ` 656.43) on long term capital losses and Unused tax credits of ` 4,687.73 (previous year - as on 31st March, 2016 ` 4,687.73, as on 1st April, 2015 ` 4,687.73) on account of prudence.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

26. OTHER LIABILITIES

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Liabilities under Litigation		38,053.29	38,027.86	36,450.25	–	–	–
Less : Paid under protest		19,470.24	21,670.70	18,244.73	–	–	–
		18,583.05	16,357.16	18,205.52	–	–	–
Advances Received from Customers		–	–	–	8,604.75	6,483.02	6,120.52
Statutory Dues		–	–	–	5,024.17	5,368.97	2,956.53
Bonus Liability		–	–	–	1,044.78	1,046.73	223.39
Deferred Revenue	26.1	106.16	137.06	178.77	30.90	41.71	47.20
Others		488.99	489.00	489.07	–	–	–
		19,178.20	**16,983.22**	**18,873.36**	**14,704.60**	**12,940.43**	**9,347.64**

26.1 Movement of Deferred Revenue

Particulars	2016-17	2015-16
Opening Balance	178.77	225.97
Less: Released to Statement of Profit & Loss	41.71	47.20
Less: Current portion of the Deferred Revenue Income	30.90	41.71
Closing Balance	**106.16**	**137.06**

27. SHORT TERM BORROWINGS

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Loans Repayable on Demand				
From Banks				
Rupee Loans		1,385.24	1,721.24	1,770.36
Other Loans				
From Banks				
Buyers' Credit and Packing Credit in Foreign Currency		–	3,826.94	5,812.19
Packing Credit in Indian Currency		753.34	1,227.60	–
From Others				
Collateralised Borrowing and Lending Obligation		–	7,500.00	6,500.00
		2,138.58	14,275.78	14,082.55
The above amount includes				
Secured Borrowings	27.1 & 27.2	1,385.24	9,221.24	9,065.92
Unsecured Borrowings		753.34	5,054.54	5,016.63
		2,138.58	**14,275.78**	**14,082.55**

27.1 Working Capital Loans of ` 1,385.24 (Previous year 31st March, 2016 ` 1,721.24 and 1st April, 2015 ` 1,770.36) from banks are secured by hypothecation of Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future, and further by way of second charge on movable and immovable Property, Plant and Equipment of the Company's Cement Division.

27.2 Collateralized Borrowing and Lending Obligation is secured by deposit of certain Government Securities.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

28. TRADE PAYABLES

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Trade Payables for goods and services				
Total outstanding dues of creditors to micro enterprises and small enterprises	46	123.10	66.27	–
Total outstanding dues of creditors to other than micro enterprises and small enterprises		19,231.83	16,204.85	16,048.15
		19,354.93	**16,271.12**	**16,048.15**

29. CURRENT TAX LIABILITIES (NET)

Provisions for Taxation (Net of Payments)		1,185.88	744.46	–
		1,185.88	**744.46**	**–**

30. REVENUE FROM OPERATIONS

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Sale of Products (including Excise Duty)		3,77,097.31	3,69,828.02
Own Consumption		1,092.72	1,309.28
		3,78,190.03	**3,71,137.30**
Other Operating Revenues			
Incentives & Subsidies		4,928.10	4,175.76
Export Benefits		403.01	299.02
Income from Royalty		104.51	–
Insurance and Other Claims (Net)		149.26	100.41
Miscellaneous Sale		327.30	446.63
		5,912.18	**5,021.82**
		3,84,102.21	**3,76,159.12**

31. OTHER INCOME

Interest Income			
On Investments		701.42	1,782.86
On Banks Deposits		2,051.67	2,959.83
On Other Deposits, etc.		205.08	140.78
Dividend Income		155.06	110.38
Net Gain/ (Loss) on sale of Investments measure at fair value through P/L		7,449.60	4,320.19
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through P/L		1,015.14	6,500.23
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 & Equipment (Net)		11.13	3.32
Excess Liabilities and Unclaimed Balances written back		2,089.17	1,410.14
Excess Provision written back		–	28.20
Excess Depreciation written back		48.63	138.55
Insurance and Other Claims (Net)		105.39	100.93
Miscellaneous Income		664.81	226.74
		14,453.21	**17,722.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

32. COST OF MATERIALS CONSUMED

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw Material Consumed		58,937.08	61,797.92
		58,937.08	**61,797.92**

33. PURCHASE OF STOCK IN TRADE

Traded Goods - Jute Goods		–	88.91
		–	**88.91**

34. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods		12,146.95	11,155.95
Work-In-Progress		11,534.48	11,122.27
		23,681.43	22,278.22
Inventories at the end 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
		2,526.53	**(1,403.21)**

35. EMPLOYEE BENEFITS EXPENSE

Salaries & Wages		22,910.86	20,964.45
Contribution to Provident and Other Funds		2,639.79	2,611.20
Staff Welfare Expenses		905.95	819.14
		26,456.60	24,394.79
Less : Amount Capitalised		3.46	20.14
		26,453.14	**24,374.65**

36. FINANCE COST

Interest Expenses			
To Debenture Holders		5,682.61	3,603.62
" Banks on Term Loans, etc.		6,001.41	2,138.17
" Banks On Working Capital Loans		393.65	905.96
On Deposits and Others		1,414.39	1,226.08
Exchange Differences regarded as an adjustment to Borrowing Costs		200.59	400.30
Other Borrowing Costs			
Other Financial Charges		318.00	209.85
		14,010.65	8,483.98
Less : Amount Capitalised	36.1	87.79	257.89
		13,922.86	**8,226.09**

36.1 The capitalization rate for the general borrowing is 8.62% p.a. (Previous year 8.36% p.a.)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

37. DEPRECIATION AND AMORTIZATION EXPENSES

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
On Tangible Assets		14,676.40	14,699.62
On Intangible Assets		42.43	147.05
On Investment Property		0.50	0.25
		14,719.33	**14,846.92**

38. OTHER EXPENSES

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Manufacturing Expenses			
Stores, Spare Parts & Packing Materials Consumed		27,927.65	26,134.71
Power & Fuel		72,410.77	77,493.70
Royalty & Cess		6,261.06	6,819.87
Repairs to Buildings		1,605.74	1,827.23
Repairs to Machinery		4,558.46	4,019.72
Freight & Material Handling on Inter Unit Transfer		13,400.59	15,177.85
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		(233.01)	243.84
Other Manufacturing Expenses		3,663.13	3,597.78
		1,29,594.39	**1,35,314.70**
Selling and Administration Expenses			
Brokerage & Commission on Sales		2,085.54	1,898.83
Transport & Forwarding Expenses		62,462.90	63,135.77
Insurance		317.46	329.14
Rent		1,477.66	1,253.75
Repairs to Other Assets		334.64	313.54
Rates & Taxes		1,127.75	708.94
Development Cess on Cement		21.20	61.00
Advertisement		1,994.84	2,088.30
Charity & Donation		51.25	7.00
Corporate Social Responsibility Expenses	50	383.91	434.94
Auditors' Remuneration	38.1	88.29	75.21
Loss on sale/discard of Property, Plant and Equipment (Net)		29.15	–
Loss on Revaluation of Live Stock		3.74	6.67
Net (Gain)/Loss on Foreign currency transaction and translation	38.2	1,647.03	1,256.31
Net Provision for doubtful debts/advances		100.44	–
Directors' Fees		68.00	87.75
Other Expenses		7,684.32	6,398.38
		79,878.12	**78,055.53**
		2,09,472.51	**2,13,370.23**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

38.1 Auditors' Remuneration

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
a. Statutory Auditors			
Audit Fees		27.00	27.00
Tax Audit Fees		6.50	6.50
Limited Review		15.31	15.31
Travelling Expenses		3.71	3.71
Issue of Certificates		31.67	19.06
		84.19	**71.58**
b. Cost Auditors			
Audit Fees		3.92	3.00
Travelling Expenses		0.18	0.63
		4.10	**3.63**
		88.29	**75.21**

38.2 Foreign Currency Transaction and Translation

Net (Gain)/Loss on foreign currency transaction and translation		32.69	2,958.33
Less : Amount Capitalised/(Decapitalized)		(11.93)	2,648.38
Add : Amortisation of Foreign Currency Monetary Item Translation Difference Account		1,602.41	946.36
		1,647.03	**1,256.31**

39. EXCEPTIONAL ITEM

On account of demand for cost of Fly Ash	39.1	682.14	–
On account of Electricity Charges	39.2	–	982.37
On account of revision of Wage of Workers at Cement units	39.3	–	624.90
On account of Statutory Levy for earlier periods and contribution to DMF	39.4	–	2,795.33
On account of additional Bonus for FY 2014-15	39.5	–	577.26
		682.14	**4,979.86**
On account of Reversal of Entry Tax Liability	39.6	–	1,830.38
		682.14	**3,149.48**

39.1 Towards provision made against demand received from Kota Thermal Power Station, Kota for Flyash lifted from 30.06.2012 to 09.02.2017 in terms of order dated 19.01.2017 issued by Hon'ble Supreme Court.

39.2 Additional liability towards electricity expenses for the year 2013-14 & 2014-15 for increased tariff by West Bengal Electricity Regulatory Commission in respect of Durgapur Units.

39.3 Towards revised wages for the year 2014-15 at Cement Divisions of the company in pursuance of settlement entered by the company with Cement Wage Board.

39.4 Statutory levy for earlier periods relating to excise duty and contribution to District Mineral Foundation under M.M.D.R. Act, 2015, based on order received.

39.5 Additional Bonus Liability related to year 2014-15 in view of amendment in The Payment of Bonus Act.1965.

39.6 Liability towards Entry Tax on Lime Stone transportation written back in view of assessment order received.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

40. TAX EXPENSE

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax for the year	40.1	5,268.59	4,037.57
Less : MAT Credit Entitlement		3,985.48	3,984.41
		1,283.11	53.16
Current Tax		1,283.11	53.16
Deferred Tax		(431.02)	3,280.98
		852.09	**3,334.14**
Income Tax for earlier years			**(15.66)**

40.1 **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		22,251.86	20,086.87
Indian Statutory Income tax Rate*		34.608%	34.608%
Estimated Income tax expenses		**7,700.92**	**6,951.66**
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense :			
Income exempt		(6,350.17)	(2,632.85)
Tax payable at different rate		712.76	(1,803.29)
Effect on Tax Allowance		–	(646.50)
Deferred Tax/MAT Credit Entitlement		(1,965.16)	1,312.43
Other		753.74	137.03
		(6,848.83)	(3,633.18)
Income Tax expense in the Statement of Profit and Loss		**852.09**	**3,318.48**

40.2 Applicable Indian Statutory Income Tax rate for Fiscal Year 2017 & 2016 is 34.608%. However, Company is required to pay tax u/s 115JB of Income Tax Act, 1961.

41. OTHER COMPREHENSIVE INCOME

41.1 **Items that will not be reclassified to profit or loss**

Remeasurement of the defined benifit plans		(842.36)	(153.60)
Less : Tax expense on the above		180.40	53.16
		(661.96)	(100.44)
Equity Instruments through Other Comprehensive Income		10,269.45	(1,916.69)
Less : Tax expense on the above		(2,191.66)	663.33
		8,077.79	(1,253.36)

41.2 **Items that will be reclassified to profit or loss**

Debt Instruments through Other Comprehensive Income		68.15	(132.32)
Less : Amount reclassified to Statement of Profit and Loss		43.89	
		112.04	(132.32)
Less : Tax expense on the above		(38.32)	45.79
		73.72	(86.53)
		7,489.55	**(1,440.33)**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

42. CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

		Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
42.1	**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 Hon'ble High Court, Chandigarh.	161.07	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	147.16	147.16
	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 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	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	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 Hon'ble High Court, Rajasthan against CESTAT Order dated 23.12.2015.	138.36	-	138.36
	f.	Stamp Duty for registration/execution of deed of certain Limestone Mining Lease. The matter is pending before the Hon'ble Supreme Court.	604.80	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. 23.03.2007. The matter is pending before the Hon'ble High Court, Rajasthan.	1,726.67	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 Hon'ble M.P. High Court, Jabalpur.	1,160.00	1,160.00	1,160.00
	i.	Demand under Income Tax Act, 1961 for Assessment Year 2011-12, 2012-13 & 2013-14, the matter is pending before Commissioner of Income Tax (Appeals).	2,712.24	2,632.09	2,632.09
	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	-	-
	k.	Demand for Entry Tax and Interest there on under U.P. VAT Act. Case is pending before Hon'ble Supreme Court.	3,967.65	3,787.96	3,349.99
	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 Hon'ble High Court, Rajasthan.	251.73	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 Hon'ble Punjab & Haryana High Court.	112.31	-	-
	n.	Demand for Education cess by the Municipal Corporation, Satna. Appeal filed and pending before Hon'ble M. P. High Court, Jabalpur.	185.34	118.29	118.29

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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. Matter is pending before Kolkata High Court.	1,177.52	708.56	708.56
p.	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	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.	6790.62	6790.62	6790.62
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 case is pending with the CESTAT.	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 stay has been granted in the matter.	365.13	–	–
t.	Demand of Excise duty on subsidy granted under Rajasthan Investment Promotion Scheme, 2010 to the extent utilized towards sale tax payment. Appeal has been filed and the matter is pending with commissioner (Appeals), Central Excise Jaipur.	181.85	–	–
u.	Demand for excise duty under Central Excise Act, 1985 leviable on branded Hessian Bags and Sacking Bags for the period from 01/03/2011 to 28/02/2013	904.49	–	–

42.2 Other Claims/Disputes/Demands (being less than `100.00) 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 - `53.44, `331.98, `72.06, `4.91,`0.56, `59.49, `82.96, `52.75, `170.03 (Previous Year - 31st March, 2016 `44.58, `617.77, `72.06, `4.91, `0.56,`59.49, `82.96, `24.56 and `206.08 (Previous Year - 1st April, 2015 -`111.83, `1101.78, `72.06, `4.91, `0.56, `59.49, `82.96,`24.56 and `209.07) respectively.

42.3 Disputed amount of `68.61[Paid under protest `68.61] (Previous Year – 31st March, 2016 `68.61[Paid under protest `68.61]) (Previous Year - 1st April, 2015 `68.61[Paid under protest `68.61]) in respect of difference of Fuel Cost Adjustment Charges, `463.60 [Paid under protest `19.77] (Previous Year – 31st March, 2016 `463.60 [Paid under protest `19.77]) (Previous Year - 1st April, 2015 `463.60 [Paid under protest `19.77]) in respect of demand of Water Supply Charges, `355.19 [Paid under protest `137.39] (Previous Year – 31st March, 2016 `355.19 [Paid under protest `137.39]) (Previous Year - 1st April,2015 `355.19 [Paid under protest `137.39]) in respect of Surcharge on Electricity, `1965.30 [Paid under protest `414.28] (Previous Year - 31st March,2016 `1804.76 [Paid under protest `377.50]) (Previous Year - 1st April,2015 `1804.76 [Paid under protest `376.00]) in respect of MODVAT/ CENVAT claims, `3283.03 [Paid under protest `1707.32] (Previous Year - 31st March,2016 `4841.98 [Paid under protest `2405.17]) (Previous Year - 1st April,2015 `4516.13 [Paid under protest `2065.36]) in respect of Sales Tax/VAT, `358.35 [paid under protest `24.62] (Previous Year - 31st March, 2016 `2.23 [paid under protest `0.35]) (Previous Year - 1st April, 2015 `NIL [Paid under protest `NIL]) in respect of Entry Tax, `192.17 [Paid under protest `30.19] (Previous Year - 31st March, 2016 `12.99 [Paid under protest `2.00]) (Previous Year - 1st April, 2015 `12.99 [Paid under protest `2.00]) in respect of Service Tax, `3569.55 [Paid under protest `3751.51] (Previous Year - 31st March, 2016 `3569.55 [Paid under protest `3751.51]) (Previous Year - 1st April, 2015 `3231.51 [Paid under protest `3751.51]) in respect of Income Tax, `3686.37 [Paid under protest `272.36] (Previous Year - 31st March, 2016 `3756.97 [Paid under protest `503.13]) (Previous Year - 1st April, 2015 `2887.32 [Paid under protest `240.32]) in respect of Excise Duty, `29.08 [Paid under protest `10.76] (Previous Year - 31st March, 2016 `29.08 [Paid under protest `10.76]) (Previous Year - 1st April, 2015 `29.08 [Paid under protest `10.76]) in respect of Land Diversion Tax impose by SDO Raghuraj Nagar, `29.70 [Advance paid `29.70] (Previous Year - 31st March, 2016 `29.70 [Advance paid `29.70]) (Previous Year - 1st April, 2015 `29.70 [Advance paid `29.70]) in respect of octroi, `208.20 [Paid under protest `15.62] (Previous Year - 31st March, 2016 `NIL [Paid under protest `NIL]) (Previous Year - 1st April, 2015 `NIL [Paid under protest `NIL]) in respect of custom duty and `2.41 [Paid under protest `2.41] (Previous Year - 31st March, 2016 `NIL [Paid under protest `NIL]) (Previous Year - 1st April, 2015 `NIL [Paid under protest `NIL]) in respect of other claims, which have not been provided for, as the matters are subjudice.

42.4 In respect of the matters in note no. 42.1 to 42.3, 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

42.5 The Company has provided corporate guarantee in the nature of financial gurantee to the lenders of one of its wholly owned subsidiary amounting to `62,546.90 against the long term loans availed by the subsidiary. As on the Balance Sheet date, the balance of such loans was `2,13,219.24 (Previous Year NIL).

42.6 **Other Contingent Liabilities**

Sl. No.		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.	Bills discounted with Banks remaining outstanding	488.02	312.25	452.55
b.	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG Scheme.	108.56	175.83	183.53

42.7 **Contingent Assets**

Sl. No.		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.	Insurance claims lodged but not settled.	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	-	-

43. The Board of Directors at its meeting held on 26th May,2017 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, 2017. The same amounts to `6024.32 (including dividend distribution tax of `1018.97). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

44. Commitments

Capital Commitments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	6,297.90	3,227.39	4,666.91

45. 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, 2017	As at 31st March, 2016	As at 1st April, 2015
Current				
Financial assets		**8,948.93**	**9,423.93**	**15,949.43**
Trade Receivables	11	8,948.93	9,423.93	8,691.80
Investment in Mutual Fund	16	–	–	7,257.63
Non-financial assets		**49,060.05**	**56,710.34**	**55,224.03**
Inventories	15	49,033.05	56,697.33	55,211.02
Others	14	27.00	13.01	13.01
Total current assets pledged as security		**58,008.98**	**66,134.27**	**71,173.46**
Non-current				
Land	5	7,956.40	7,029.37	6,961.34
Buildings	5	16,600.83	15,264.19	12,264.59
Plant & Machinery	5	1,69,713.94	1,68,908.36	1,61,307.23
Others Tangible Assets	5	8,450.69	9,544.93	15,506.04
Investment in Government Security	10	–	8,972.52	9,084.21
Other Non Current Assets	7 & 14	769.09	377.05	401.88
Total non-currents assets pledged as security		**2,03,490.95**	**2,10,096.42**	**2,05,525.29**
Total assets pledged as security		**2,61,499.93**	**2,76,230.69**	**2,76,698.75**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

46. 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, 2017	As at 31st March, 2016	As at 1st April, 2015
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	123.10	66.27	–
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.	–	–	–

47. Operating leases

47.1 **As Lessee**

The company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godown) etc. These leasing arrangements which are cancellable ranging between 11 months and 10 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. The company has also entered into agreement to take certain land on operating lease for manufacturing facilities from a third party. The lease arrangement is for 33 years. The lease rent of `396.63 (Previous Year `187.41) on such lease is included in Rent.

47.1.1 **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, 2017	As at 31st March, 2016	As at 1st April, 2015
Payables within one year	17.28	3.23	1.43
Payables later than one year but not later than five years	72.34	16.06	7.05
Payables later than five years	380.77	23.47	12.28

47.1.2 The Company has entered into leasing agreements under operating lease. Land for original lease period ranging upto 33 years. Amortisation of leasehold land included in the statement of profit and loss for the year is `1,477.66 (previous year `1,253.75).

47.2 **As Lessor**

47.2.2 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.

48. Earnings Per Share

Particulars	As at 31st March 2017	As at 31st March 2016
Profit for the year	21,399.77	16,768.39
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)	27.79	21.78

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

49. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

49.1 **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 2017	For the year ended 31st March 2016
a.	Provident Fund	84.43	75.63
b.	Superannuation Fund	354.18	347.71
c.	Pension Fund	728.98	564.21

49.2 **Defined Benefit Plan :**

The following are the types of defined benefit plans.

49.2.1 **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 Paymet 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.

49.2.2 **Pension Plan**

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

49.2.3 **Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

49.2.4 **Risk Exposure**

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Inerest 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.

49.2.5 **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)	
	2016-17	2015-16	2016-17	2015-16
Balance at the beginning of the year	11,150.49	10,794.58	85.56	92.78
Current Service Cost	591.21	563.87		
Interest Cost on Defined Benefit Obligation	848.43	813.78	6.30	6.85
Actuarial Gain and Losses arising from				
Changes in demographic assumptions				
Changes in financial assumptions	753.80		3.81	
Expereince Adjustment	4.18	225.86	1.06	(0.54)
Benefits Paid from the Plan Assets	(1,105.26)	(1,247.60)	(13.63)	(13.53)
Balance at the end of the year	12,242.85	11,150.49	83.10	85.56

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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49.2.6 **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)	
	2016-17	2015-16	2016-17	2015-16
Balance at the beginning of the year	10,338.54	9,552.04	–	–
Interest Income on Plan Assets	843.48	762.37	–	–
Remeasurement of Defined Benefit Obligation :	–	–	–	–
Return on plan assets greater/ (lesser) than discount rate	(79.52)	71.72	–	–
Employer Contributions to the Plan	1,500.00	1,200.01	–	–
Benefits Paid from the Plan Assets	(1,105.26)	(1,247.60)	–	–
Balance at the end of the year	11,497.24	10,338.54	–	–

49.2.7 **The amount recognised in the Balance Sheet**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Net Asset/(Liability) recognised in the Balance Sheet				
Present value of Defined Benefit Obligation	12,242.84	11,150.49	83.10	85.56
Fair Value of Plan Assets	11,497.24	10,338.54	–	–
Net Asset/(Liability) in the Balance Sheet	745.60	811.95	83.10	85.56

49.2.8 **Expenses recognized in profit or loss**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Current Service Cost	591.21	563.87	–	–
Interest Cost	848.43	813.78	6.30	6.85
Interest Income on Plan Assets	(843.48)	(762.37)	–	–

49.2.9 **Remeasuremets recognzied in other comprehensive income**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Actuarial (gain)/ Loss on defined benefit obligation	757.97	225.86	4.87	(0.54)
Return on plan assets (greater)/ lesser than discount rate	79.52	(71.72)	–	–

49.2.10 **Major Categories of Plan Assets**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
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, India First New Corporate Benefit plan for gratuity offered by India First 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.

49.2.11 **Asset-Liability Matching Strategy**

The Company'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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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49.2.12 **Actuarial Assumptions**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Financial Assumptions				
Discount Rate	7%	8%	7%	8%
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%	2%	–	–

49.2.13 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.

49.2.14 At 31st March 2017, 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	Gratuity (Funded)	Pension (Unfunded)
31st March 2018	1,771.62	12.30
31st March 2019	1,438.97	12.65
31st March 2020	1,241.77	12.42
31st March 2021	1,173.10	12.33
31st March 2022	1,254.11	11.87
31st March 2023 to 31st March 2027	7,631.30	57.56

49.2.15 The Company expects to contribute ` 773.08 (previous year ` 1500) to its gratuity fund in 2017-18.

49.2.16 The following payments are expected contributions to the defined benefit plan in future years :

Expected contributions	Gratuity (Funded)	Pension (Unfunded)
Within next 12 months (next annual reporting period)	773.08	–
Between 2 and 5 years	800.00	–
Between 5 and 10 years	900.00	–
Beyond 10 years	1,200.00	–

49.2.17 In respect of provident fund in the nature of defined benefit plans contribution amounting to ` 563.56 ( previous year ` 520.72 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".

49.2.18 **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)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Effect on DBO due to 1% increase in Discount Rate	(757.91)	(658.09)	(3.81)	(3.84)
Effect on DBO due to 1% decrease in Discount Rate	866.83	746.57	4.19	4.21
Effect on DBO due to 1% increase in Salary Escalation Rate	850.16	740.71	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(757.46)	(664.51)	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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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.

50. In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, the requisite disclosure as as follows :

50.1

Particulars	For the year ended on	
	31st March 2017	31st March 2016
Gross Amount Required to be spent by the company during the year	368.02	477.24
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR expenditure	NIL	NIL

50.2 Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March 2017			For the year ended on 31st March 2016		
		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	352.81	31.10	383.91	434.94	–	434.94

51. 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 presently pending for the approval of the Hon'ble High Court, Kolkata.

52. Pursuant to the Share Purchase Agreement ("Agreement"), the company has acquired 100% equity shares of Reliance Cement Company Private Limited ("RCCPL") from Reliance Infrastructure Limited on 22nd August,2016 at an enterprise valuation of ` 4,80,000. A sum of ` 2,25,352 has been paid/provided towards purchase consideration of Shares till 31st March, 2017 which may be further adjusted based on terms & condition of the agreement. The company does not envisage any material impact on account of above and there will not be any impact on the Statement of Profit and Loss.

53. 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. Consequential adjustment shall be made on settlement of the claim.

54. 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.

54.1 The Company's Unit Soorah Jute Mills is under Suspension of Operations since 29th March, 2004.

54.2 The Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

54.3 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. Last hearing was held on 06-09-2016. Next date of hearing has not been fixed as yet.

55. Transition to Ind AS

55.1 **Basis for Preparation**

For all period up to and including the year ended 31st March, 2016, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31st March 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the date of transition). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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55.2 **Exceptions and Exemptions Applied**

IND AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain mandatory exceptions and optional exemptions from the retrospective application of certain IND AS, effective for 1st April, 2015 opening balance sheet. In preparing these Standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

55.2.1 **Optional Exemptions Availed**

a. Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Standard has not been applied to acquisitions of subsidiaries, which are considered businesses for Ind AS, or of interests in associates that occured before the transition date i.e., 1st April, 2015.

b. Property Plant and Equipment, Intangible Assets and Investment Properties

As permitted by para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also.

c. Determining whether an arrangement contains a Lease

Para D9-D9AA of Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 "Leases" for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has applied the above transitional provision and has assessed all the arrangements at the date of transition.

d. Investments in Subsidiaries and Associates

As permitted by para D14 & D15 of Ind AS 101, the Company has elected to measure the investments in subsidiaries and associates at Deemed Cost calculated at the previous GAAP carrying amount as on the date of transition, as the company has elected to measure such investments at Cost under Ind AS 27 "Separate Financial Statements".

e. Designation of previously recognised financial instruments

Para D19B of Ind AS 101 permits an entity to designate particular investments in equity instruments as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather at initial recognition). The Company has opted to avail this exemption to designate its investments in equity instruments (other than investment in subsidiaries and associates) as FVOCI on the date of transition.

f. Non-current Assets held for Sale and Discontinued Operations

As per Para D35AA a first time adopter have an option of measuring the non-current assets that meet the criteria of held for sale at lower of the carryin amount and fair value less cost to sales at the date of transition and recognize the difference of the amount so calculated and the previous GAAP carrying amount directly in retained earnings. The Company has elected to adopt this exemption.

55.2.2 **Mandatory Exceptions**

a. Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period. The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below :

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Fair Valuation of Biological Assets measured at fair value less cost to sell.

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(` in lacs)

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.
- Discounted value of mines restoration liability.

b. De-recognition of financial assets and liabilities

As per para B2 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para B3 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c. Classification and measurement of financial assets

Para B8 - B8C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

55.3 **Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101 :

1. Reconciliation of material items of Balance sheet as at 1st April, 2015 (Transition Date) and as at 31st March, 2016
2. Reconciliation of Statement of Profit & Loss for the year ended 31st March, 2016
3. Reconciliation of Equity as at 1st April, 2015 and as at 31st March, 2016
4. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

55.3.1 **Reconciliation of material items of Balance sheet as at 1st April, 2015 (Transition Date) and as at 31st March, 2016**

Particulars	Refer Note No.	Previous GAAP* as at 31.03.2016	Effect of Transition to IND AS	As per IND AS Balance Sheet as at 31.03.2016	Previous GAAP* as at 31.03.2015	Effect of Transition to IND AS	As per IND AS Balance Sheet as at 1.4.2015
ASSETS							
Property, Plant and Equipment	55.3.5(e)	2,02,081.62	488.83	2,02,570.45	1,91,640.74	(15.19)	1,91,625.55
Intangible Assets	55.3.5(e)	221.20	44.71	265.91	412.96	–	412.96
Biological Assets other than bearer plants	55.3.5(e)	10.70	71.85	82.55	11.40	78.82	90.22
Non Current Investments	55.3.5(a)	22,521.14	9,025.16	31,546.30	37,490.81	13,634.60	51,125.41
Current Investments	55.3.5(a)	1,26,019.98	11,361.42	1,37,381.40	95,962.62	7,451.33	1,03,413.95
EQUITY AND LIABILITIES							
Equity Share Capital		7,700.89	–	7,700.89	7,700.89	–	7,700.89
Other Equity		2,63,221.49	21,614.34	2,84,835.83	2,54,710.48	21,301.21	2,76,011.69
LIABILITIES							
NON–CURRENT LIABILITIES							
Borrowings	55.3.5(f)	78,862.79	105.89	78,968.68	1,09,298.36	38.43	1,09,336.79
Deferred Tax Liabilities (Net)	55.3.5(b)	14,087.40	4,123.53	18,210.93	15,104.18	4,519.30	19,623.48
Other Non Current Liabilities	55.3.5(j)	16,846.15	137.07	16,983.22	18,694.52	178.84	18,873.36
CURRENT LIABILITIES							
Provisions	55.3.5(c)	6,893.05	(5,054.74)	1,838.31	7,369.87	(5,054.76)	2,315.13

*Regrouped as per Ind AS Compliant Schedule III.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

55.3.2 **Reconcilliation of Statement of Profit & Loss for the year ended 31st March, 2016**

INCOME	Refer Note No.	Previous GAAP*	Effect of transition to IND AS	Ind AS
Revenue from Operations	55.3.5(e)	3,76,842.06	(682.94)	3,76,159.12
Other Income	55.3.5(a), (e),(g),(j)	16,369.93	1352.22	17,722.15
Total Income		**3,93,211.99**	**669.28**	**3,93,881.27**
EXPENSES				
Cost of Materials Consumed	55.3.5(k)	61,792.14	5.78	61,797.92
Purchases of Stock -in- Trade		88.91	–	88.91
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	55.3.5(k)	(1,414.10)	10.89	(1,403.21)
Employee Benefits Expense	55.3.5(e)	24,528.25	(153.60)	24,374.65
Finance Costs	55.3.5(f)	8,158.55	67.54	8,226.09
Excise Duty		49,343.41	–	49,343.41
Depreciation and Amortisation Expense	55.3.5(k)	14,903.45	(56.53)	14,846.92
Other Expenses	55.3.5(e), (g),(h),(i)	2,13,974.61	(604.38)	2,13,370.23
Total Expenses		**3,71,375.22**	**(730.30)**	**3,70,644.92**
Profit before Exceptional Items and Tax		**21,836.77**	**1,399.58**	**23,236.35**
Exceptional Items		**3,149.48**	–	3,149.48
Profit before Tax		**18,687.29**	**1,399.58**	**20,086.87**
Tax Expense:				
Current Tax	55.3.5(d)	–	53.16	53.16
Deferred Tax	55.3.5(b)	2,967.63	313.35	3,280.98
Income Tax for earlier years		(15.66)	–	(15.66)
Profit for the year		**15,735.32**	**1,033.07**	**16,768.39**
Other Comprehensive Income				
A Items that will not be reclassified to profit or loss	55.3.5(e)		(2,070.29)	(2,070.29)
Income tax relating to these items	55.3.5(b)	–	716.49	716.49
		–	**(1,353.80)**	**(1,353.80)**
B Items that will be reclassified to profit or loss	55.3.5(e)		(132.32)	(132.32)
Income tax relating to these items	55.3.5(b)	–	45.79	45.79
		–	**(86.53)**	**(86.53)**
Other Comprehensive Income for the Year (Net of Tax)		**–**	(1,440.33)	**(1,440.33)**
Total Comprehensive Income for the period		**15,735.32**	**(407.26)**	**15,328.06**

* Regrouped as per IND AS compliant Schedule III

55.3.3 **Reconcilliation of Total Equity**

Particular	Refer Note No.	As at 31st March, 2016	As at 1st April, 2015
Equity under Previous Indian GAAP		**2,70,922.43**	**2,62,411.37**
On account of measuring Investments at Fair Value	55.3.5(a)	11,754.67	10,405.02
On account of application of Effective Interest Rate	55.3.5(f)	84.15	16.61
On account of Government Grant accounting	55.3.5(j)	(178.78)	(225.97)
On account of decommissioning liability	55.3.5(d)	(449.63)	(506.17)
Other IND AS adjustments	55.3.5(g), (h), (i), (j), (k)	335.98	(109.42)
Reversal of Proposed Dividend incl. CDT	55.3.5(c)	5,560.91	5,560.91
Items reclassified to OCI	55.3.5(a)	8,630.52	10,679.53
Impact of Tax	55.3.5(b)	(4,123.53)	(4,519.30)
Total adjustment to equity		**21,614.29**	**21,301.21**
Total equity under Ind AS		**2,92,536.72**	**2,83,712.58**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

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55.3.4 **Impact of Ind AS adoption on the standalone statements of cash flows for the year ended 31 March, 2016**

Particulars	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from Operating Activities		24,460.69	(453.94)	24,006.75
Net cash flow from Investing Activities		(735.59)	452.41	(283.18)
Net cash flow from Financing Activities		(20,115.55)	1.53	(20,114.02)
Net increase/(decrease) in cash and cash equivalents		3,609.55	0.00	3,609.55
Cash and cash equivalents as at 1 April 2015		7,075.60	–	7,075.60
Cash and cash equivalents as at 31 March 2016		10,685.15	–	10,685.15

55.3.5 **Explanations to the material adjustments made in the process of IND AS transition from previous GAAP**

a. Fair valuation of investments

Under the Indian GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March 2016.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31st March 2016.

b. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

c. Dividend

Under Indian GAAP, proposed dividends including Dividend Distribution Taxes (DDT) are recognized as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognized as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

Since declaration of dividend occurs after period end in the Company, the Provision for proposed dividend has been derecognized against retained earnings on 1st April 2015 and Liabilities recognized in the year ended 31st March, 2016.

d. Restoration (including Mine closure), rehabilitation and decommissioning

Under IND AS 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. Under Indian GAAP, the above obligation is not required to be discounted to its present value.

e. Re-Classifications

The Company has done the following reclassifications as per the requirements of Ind-AS :

i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.

ii) The Company has re-classified certain leasehold land from Property Plant & Equipment to Mining Rights under Intangible Assets and Prepayment Lease Rental under operating lease.

iii) Under Indian GAAP, Live Stock were presented under Property,Plant & Equipment being measured at cost.Under IND AS the same have been reclassified from Property,Plant & Equipment to Biological Assets other than bearer plants and measured at fair value less cost to sale.

iv) Under Indian GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties have been separately presented on the face of the balance sheet.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

v) Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.

vi) The Company has re-classified unpaid dividend balance form cash and cash equivalents to other bank balances.

vii) Excise duty on sales was earlier netted off with Sales, has now been presented separately.

f. Long Term Borrowings

Under Indian GAAP, the Company accounted for long term borrowings measured at transaction value. Under Ind AS, the Company has recognised the long term borrowings at amortised cost using effective interest rate (EIR).

g. Forward Contract

Under IND AS mark to market gain/loss on restatement of forward contract as at the reporting date has been recognized in the statement of profit & loss.

h. Leases

Under Ind AS, where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, straight lining of lease is not required. The same was required under AS-19.

The Company has initially recognised security deposit paid to the lessor at fair value and subsequently at amortised cost as per Ind AS 109.

i. Expected Credit Loss Model

Ind-AS 109 requires to recognize loss allowances on trade receivable and other financial assets of the Company, at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk.

j. Deferred Revenue

Under India GAAP, grants received from government agencies against specific fixed assets (Property, Plant and Equipment) are adjusted to the cost of the assets. Under IND AS the same has been presented as deferred revenue being amortised in the statement of profit & loss on a systematic basis.

k. Leases/Depreciation and Amortisation Expenses/Inventory

Under India GAAP, lease agreement to use land was excluded from accounting of leases under AS 19. Under IND AS, use of land is not excluded from accounting of leases. Due to the above, measurement amount of lease, operating or finance has been changed resulting into change in depreciation and amortisation expenses and corresponding change in the inventory valuation.

56. Fair value of Financial Assets and Financial Liabilities (Non Current and Current)

As at 31st March 2017 and 31st March 2016

Particulars	31st March 2017			31st March 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	–	21,977.17	–	–	10,456.36	–
- Preference Shares	10,257.01	–	–	0.01	–	–
- Bonds and Debentures	–	806.74	–		13,290.82	–
- Mutual Funds	33,239.30	–	–	1,36,106.12	–	–
- Government Securities	–	100.85	0.08	–	9,074.31	0.08
Trade Receivables	–	–	8,948.93	–	–	9,423.93
Loans Given	–	–	500.01	–	–	496.94
Cash and Cash Equivalents	–	–	7,747.04	–	–	10,685.15
Other Bank Balances	–	–	22,325.22	–	–	25,538.37
Security Deposits	–	–	2,851.29	–	–	3,050.62
Other Deposits and Advances	–	–	754.96	–	–	199.57
Interest accrued on Deposits	–	–	434.23	–	–	432.85
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	88.12	–	–	42.94
Foreign Exchange Forward Contract (MTM)	–	–	–	5.19	–	–
Other Financial Assets	–	–	243.50	–	–	236.54
Total Financial Assets	**43,496.31**	**22,884.76**	**43,893.38**	**1,36,111.32**	**32,821.49**	**50,106.99**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	31st March 2017			31st March 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Liabilities						
Borrowings	–	–	1,95,082.96	–	–	1,28,111.85
Trade Payables	–	–	19,354.93	–	–	16,271.12
Trade & Security Deposits	–	–	22,046.55	–	–	18,487.57
Amount Payable for Capital Goods	–	–	1,894.60	–	–	1,670.02
Finance Lease Obligation	–	–	13.27	–	–	13.30
Interest accrued but not due on Borrowings	–	–	3,075.41	–	–	791.68
Employees Related Liabilities	–	–	1,559.00	–	–	1,382.19
Foreign Exchange Forward Contract (MTM)	796.61			388.29		
Other Financial Liabilities	–	–	24,009.11	–	–	9,162.71
Total Financial Liabilities	**796.61**	**–**	**2,67,035.83**	**388.29**	**–**	**1,75,890.44**

As at 1st April 2015

Particulars	FVTPL	FVOCI	Amortized Cost
Financial Assets			
Investment			
– Equity Instruments	–	12,203.65	–
– Preference Shares	0.01	–	–
– Bonds and Debentures	–	–	19,066.28
– Mutual Funds	1,14,089.01	–	–
– Government Securities	–	–	9,180.41
Trade Receivables	–	–	8,691.80
Loans Given	–	–	418.44
Cash and Cash Equivalents	–	–	7,075.60
Other Bank Balances	–	–	39,601.46
Security Deposits	–	–	2,813.07
Other Deposits and Advances	–	–	190.17
Interest accrued on Deposits	–	–	2,334.85
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	73.90
Foreign Exchange Forward Contract (MTM)	5.61	–	–
Other Financial Assets	–	–	238.81
Total Financial Assets	1,14,094.63	12,203.65	89,684.79
Financial Liabilities			
Borrowings	–	–	1,29,363.97
Trade Payables	–	–	16,048.15
Trade & Security Deposits	–	–	15,789.27
Amount Payable for Capital Goods	–	–	2,476.67
Finance Lease Obligation	–	–	13.19
Interest accrued but not due on Borrowings	–	–	776.05
Employees Related Liabilities	–	–	701.57
Foreign Exchange Forward Contract (MTM)	172.99		
Other Financial Liabilities	–	–	7,752.74
Total Financial Liabilities	172.99	–	1,72,921.61

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

57. Fair Value of Financial Assets & Liabilities

57.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost :

Particulars	31st March 2017		31st March 2016		1st April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Investments						
Bonds	–	–	–	–	19,066.28	19,225.22
Government Securities	0.08	0.08	0.08	0.08	9,180.41	8,938.20
Trade Receivables	8,948.93	8,948.93	9,423.93	9,423.93	8,691.80	8,691.80
Loans Given	500.01	500.01	496.94	496.94	418.44	418.44
Cash and Cash Equivalents	7,747.04	7,747.04	10,685.15	10,685.15	7,075.60	7,075.60
Other Bank Balances	22,325.22	22,325.22	25,538.37	25,538.37	39,601.46	39,601.46
Security Deposits	2,851.29	2,851.29	3,050.62	3,050.62	2,813.07	2,813.07
Other Deposits and Advances	754.96	754.96	199.57	199.57	190.17	190.17
Interest accrued on Deposits	434.23	434.23	432.85	432.85	2,334.85	2,334.85
Fixed Deposits maturing after 12 months from Balance sheet date	88.12	88.12	42.94	42.94	73.90	73.90
Other Financial Assets	243.50	243.50	236.54	236.54	238.81	238.81
Total Financial Assets	**43,893.38**	**43,893.38**	**50,106.99**	**50,106.99**	**89,684.79**	**89,601.52**
Long Term Borrowings						
Fixed Rate						
Debentures	68,000.00	69,408.41	40,000.00	39,993.88	40,000.00	39,390.89
Floating Rate						
Rupee Term Loan	59,325.35	59,325.35	400.00	400.00	400.00	400.00
Foreign Currency Term Loan	65,619.03	65,619.03	73,436.07	73,436.07	74,881.42	74,881.42
Finance Lease Obligation	13.27	13.27	13.30	13.30	13.19	13.19
Financial Liabilities						
Short Term Borrowings	2,138.58	2,138.58	14,275.78	14,275.78	14,082.55	14,082.55
Trade Payables	19,354.93	19,354.93	16,271.12	16,271.12	16,048.15	16,048.15
Trade & Security Deposits	22,046.55	22,046.55	18,487.57	18,487.57	15,789.27	15,789.27
Amount Payable for Capital Goods	1,894.60	1,894.60	1,670.02	1,670.02	2,476.67	2,476.67
Interest accrued but not due on Borrowings	3,075.41	3,075.41	791.68	791.68	776.05	776.05
Employees Related Liabilities	1,559.00	1,559.00	1,382.19	1,382.19	701.57	701.57
Other Financial Liabilities	24,009.11	24,009.11	9,162.71	9,162.71	7,752.74	7,752.74
Total Financial Liabilities	**2,67,035.83**	**2,68,444.24**	**1,75,890.44**	**1,75,884.32**	**1,72,921.61**	**1,72,312.50**

57.2 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.

57.3 **The following methods and assumptions were used to estimate the fair values :**

57.3.1 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

57.3.2 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.

57.4 **Description of significant unobservable inputs to Valuation**

Particulars	Significant Unobservable Inputs	Fair value as at			Sensitivity of the input to fair value
		31st March 2017	31st March 2016	1st April 2015	
Unquoted Preference Shares	Risk Adjusted Discount Rate (10.08%)	10,257.00	–	–	2017 : Increase in Risk adjusted discount rate by 50 bps would lead to a decrease in fair value by ` 178.19 whereas a decline by 50 bps would increase the fair value by ` 182.6.

58. 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.

58.1 **Assets and Liabilities measured at Fair Value - recurring fair value measurements**

As at 31st March 2017 and 31st March 2016

Particulars	31st March 2017			31st March 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Financial Investment at FVTPL						
Unlisted Preference Shares	–	–	10,257.01	–	–	0.01
Mutual Funds	33,239.30	–	–	1,36,106.12	–	–
Financial Investment at FVOCI						
Listed Equity Investments	21,972.01	–	–	10,451.20	–	–
Unlisted Equity Investments	–	–	5.16	–	–	5.16
Listed Corporate Bonds	806.74	–	–	13,290.82	–	–
Listed Government Securities	100.85	–	–	9,074.31	–	–
Foreign Exchange Forward Contract (MTM)	–	–	–	5.19	–	–
Total Financial Assets	**56,118.90**	**–**	**10,262.17**	**1,68,927.64**	**–**	**5.17**
Financial Liabilities						
Derivatives not designated as hedges						
Foreign Exchange Forward Contracts (MTM)	796.61	–	–	388.29	–	–
Total Financial Liabilities	796.61	–	–	388.29	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

As at 1st April 2015

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Financial Investment at FVTPL			
Unlisted Preference Shares	–	–	0.01
Mutual Funds	1,14,089.01	–	–
Financial Investment at FVOCI			
Listed Equity Investments	12,198.49	–	–
Unlisted Equity Investments	–	–	5.16
Foreign Exchange Forward Contract (MTM)	5.61	–	–
Total Financial Assets	**1,26,293.11**	**–**	**5.17**
Financial Liabilities			
Derivatives not designated as hedges			
Foreign Exchange Forward Contracts (MTM)	172.99	–	–
Total Financial Liabilities	**172.99**	**–**	**–**

58.2 **Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed**

As at 31st March 2017 and 31st March 2016

Particulars	31st March 2017			31st March 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments						
Bonds	–	–	–	–	–	–
Government Securities	–	–	0.08	–	–	0.08
Trade Receivables			8,948.93			9,423.93
Loans Given	–	–	500.01	–	–	496.94
Cash and Cash Equivalents	–	–	7,747.04	–	–	10,685.15
Other Bank Balances	–	–	22,325.22	–	–	25,538.37
Security Deposits			2,851.29			3,050.62
Other Deposits and Advances			754.96			199.57
Interest accrued on Deposits	–	–	434.23	–	–	432.85
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	88.12	–	–	42.94
Other Financial Assets			243.50			236.54
Total Financial Assets	**–**	**–**	**43,893.38**	**–**	**–**	**50,106.99**
Financial Liabilities						
Long Term Borrowings						
Debentures			69,408.41	–		39,993.88
Rupee Term Loan			59,325.35			400.00
Foreign Currency Term Loan			65,619.03			73,436.07
Finance Lease Obligation	–	–	13.27	–	–	13.30
Short Term Borrowings			2,138.58			14,275.78
Trade Payables	–	–	19,354.93	–	–	16,271.12
Trade & Security Deposits	–	–	22,046.55	–	–	18,487.57
Amount Payable for Capital Goods	–	–	1,894.60	–	–	1,670.02
Interest accrued but not due on Borrowings	–	–	3,075.41	–	–	791.68
Employees related liabilities	–	–	1,559.00	–	–	1,382.19
Other Financial Liabilities	–	–	24,009.11	–	–	9,162.71
Total Financial Liabilities	**–**	**–**	**2,68,444.24**	**–**	**–**	**1,75,884.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

As at 1st April 2015

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investments			
Bonds	–	–	19,225.22
Government Securities	–	–	8,938.20
Trade Receivables			8,691.80
Loans Given	–	–	418.44
Cash and Cash Equivalents	–	–	7,075.60
Other Bank Balances	–	–	39,601.46
Security Deposits			2,813.07
Other Deposits and Advances			190.17
Interest accrued on Deposits	–	–	2,334.85
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	73.90
Other Financial Assets	–	–	238.81
Total Financial Assets	**–**	**–**	**89,601.52**
Financial Liabilities			
Long Term Borrowings			
Debentures	–	–	39,390.89
Rupee Term Loan	–	–	400.00
Foreign Currency Term Loan	–	–	74,881.42
Finance Lease Obligation	–	–	13.19
Short Term Borrowings	–	–	14,082.55
Trade Payables	–	–	16,048.15
Trade & Security Deposits	–	–	15,789.27
Creditors for capital goods & services	–	–	2,476.67
Interest accrued but not due on Borrowings	–	–	776.05
Employees related liabilities	–	–	701.57
Other Financial Liabilities	–	–	7,752.74
Total Financial Liabilities	**–**	**–**	**1,72,312.50**

58.3 During the year ended 31 March, 2017 and 31 March, 2016, 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.

59. 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:

59.1 **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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

a) Trade Receivables

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

As at 31st March 2016

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	322.78	6,180.47	1,261.59	520.34	2,240.78
Expected loss rate	0.00%	0.00%	0.00%	0.00%	49.18%
Expected credit losses (Loss allowance provision)	-	-	-	-	1,102.03
Carrying amount of trade receivables (net of impairment)	322.78	6,180.47	1,261.59	520.34	1,138.75

As at 1st April 2015

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	273.27	5,319.35	1,428.99	544.86	2,255.60
Expected loss rate	0.00%	0.00%	0.00%	0.00%	50.11%
Expected credit losses (Loss allowance provision)	-	-	-	-	1,130.26
Carrying amount of trade receivables (net of impairment)	273.27	5,319.35	1,428.99	544.86	1,125.34

Reconciliation of loss allowance provision –	**Trade Receivables**
Loss allowance on 1 April 2015	1,130.26
Changes in loss allowance (Net)	(28.23)
Loss allowance on 31 March 2016	1,102.03
Changes in loss allowance (Net)	97.26
Loss allowance on 31 March 2017	1,199.29
There are no customers who represents more than 10% of the total balance of Trade Receivables.	

59.2 **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 for the year ended 31st March 2017

(` in lacs)

(i) Maturity Analysis for financial liabilities

a. 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. 22.4 (d))						
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	–	–	–	16,508.40	43,491.60	60,000.00
Foreign Currency Term Loan						
Refer Note No. 22 4 (f)(i)	–	658.36	658.36	3,291.80	–	4,608.52
Refer Note No. 22 4 (f)(ii)	–	–	5,790.63	19,688.12	–	25,478.75
Refer Note No. 22 4 (f)(iii)	–	–	2,316.25	7,875.25	–	10,191.50
Refer Note No. 22 4 (f)(iv)	–	–	–	25,942.00	–	25,942.00
Finance lease obligations	–	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	–	–	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
Others Financial Liabilities	134.46	23,026.33	–	848.32	–	24,009.11
Total	1,519.70	49,777.59	9,324.89	117,157.66	90,532.38	268,312.22
Derivative						
Foreign Exchange forwards contracts		84.86	711.75			796.61

b **The following are the remaining contractual maturities of financial liabilities as at 31st March 2016.**

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	–	16,271.12	–	–	–	16,271.12
Borrowings						
Redeemable Debentures (Refer Note No. 22.4 (d))						
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
1200 8.80% NCD 2017	–	–	12,000.00	–	–	12,000.00
Rupee Term Loan	–	–	–	400.00	–	400.00
Foreign Currency Term Loan						

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Refer Note No. 22 4 (f)(i)	–	672.62	672.62	4,708.37	–	6,053.61
Refer Note No. 22 4 (f)(ii)	–	3,549.65	–	26,030.71	–	29,580.36
Refer Note No. 22 4 (f)(iii)	–	1,419.86	–	10,412.28	–	11,832.14
Refer Note No. 22 4 (f)(iv)	–	4,969.50	11,595.50	9,939.00	–	26,504.00
Finance lease obligations	–	0.47	0.47	3.77	8.59	13.30
Short Term Borrowings	1,721.24	12,554.54	–	–	–	14,275.78
Other financial liabilities						
Trade & Security Deposits*	–	4.70	–	–	18,482.87	18,487.57
Amount Payable for Capital Goods	–	1,670.02	–	–	–	1,670.02
Interest accrued but not due on Borrowings	–	70.16	721.52	–	–	791.68
Employees Related Liabilities	–	1,382.19	–	–	–	1,382.19
Others Financial Liabilities	140.10	8,176.26	–	851.56	–	9,167.92
Total	1,861.34	50,741.09	24,990.11	80,345.69	18,491.46	1,76,429.69
Derivative						
Foreign Exchange forwards contracts		271.54	111.55			383.09

c. **The following are the remaining contractual maturities of financial liabilities as at 1st April, 2015.**

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	–	16,048.15	–	–	–	16,048.15
Borrowings						
Redeemable Debentures (Refer Note No. 22.4 (d))						
1300 9.05% NCD 2020				13,000.00		13,000.00
1500 9.10% NCD 2020				15,000.00		15,000.00
1200 8.80% NCD 2017				12,000.00		12,000.00
Rupee Term Loan				400.00		400.00
Foreign Currency Term Loan						
Refer Note No. 22 4 (f)(i)		634.50	634.50	5,076.05	634.50	6,979.55
Refer Note No. 22 4 (f)(ii)		3,348.49		27,904.01		31,252.50
Refer Note No. 22 4 (f)(iii)		1,339.39		11,161.61		12,501.00
Refer Note No. 22 4 (f)(iv)				25,002.00		25,002.00
Finance lease obligations	–	0.47	0.47	3.77	8.48	13.19
Short Term Borrowings	1,770.36	12,312.19				14,082.55
Other financial liabilities						
Trade & Security Deposits*	–	15.65	–	–	15,773.62	15,789.27
Amount Payable for Capital Goods	–	2,476.67	–	–	–	2,476.67
Interest accrued but not due on Borrowings	–	60.64	715.41	–	–	776.05
Employees Related Liabilities	–	701.57	–	–	–	701.57
Others Financial Liabilities	129.92	6,778.30	–	850.12	–	7,758.34
Total	1,900.28	43,716.02	1,350.38	110,397.56	16,416.60	173,780.84
Derivative						
Foreign Exchange forwards contracts		86.36	81.03			167.39

* Based on management assumption.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

d. 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.

59.3 **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 Exchange Risk, Interest Rate Risk and Other Price Risk.

59.3.1 **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.

59.3.2 **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 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**

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

Particulars	As at 31st March 2016					
	USD	INR	EUR	INR	JPY	INR
Financial Assets						
Trade Receivables	5.47	362.27	0.57	42.83	–	–
Financial Liabilities						
Foreign Currency Term Loan	891.36	59,061.61	–	–	–	–
Buyers Credits	37.76	2,501.75	–	–	–	–
Trade Payables & Others	6.52	431.94	0.71	53.60	1.55	0.91
Net Exposure in foreign currency	930.17	61,633.03	0.14	10.77	1.55	0.91

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	As at 1st April, 2015			
	USD	INR	EUR	INR
Financial Assets				
Trade Receivables	3.72	232.24	–	–
Financial Liabilities				
Foreign Currency Term Loan	1,021.66	63,859.10	–	–
Buyers Credits	92.99	5,812.38	–	–
Trade Payables & Others	16.57	1,035.92	12.77	858.29
Net Exposure in foreign currency	1,127.50	70,475.16	12.77	858.29

II) **Hegde Foreign Currency Exposure**

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**

Particulars	As at 31st March, 2016		As at 1st April, 2015	
	USD	INR	USD	INR
Derivative Assets				
Forward Contract against Trade Receivable	2.36	156.27	9.18	573.59
Forward Contract against Firm Commitments	–	–	3.80	237.52
Derivative Liabilities				
Forward Contract – Against Payable	258.00	17,092.50	190.00	11,874.05
Forward Contract – Against Firm Commitments	54.00	3,577.50	–	–
Net Exposure in foreign currency	**309.64**	**20,513.73**	**177.02**	**11,062.94**

b. 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 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity (Increase)	5%	2,213.67	1,741.27	5%	3,081.65	2,424.03
USD Sensitivity (Decrease)	5%	(2,213.67)	(1,741.27)	5%	(3,081.65)	(2,424.03)
EUR Sensitivity (Increase)	5%	5.59	4.40	5%	0.54	0.42
EUR Sensitivity (Decrease)	5%	(5.59)	(4.40)	5%	(0.54)	(0.42)
JPY Sensitivity (Increase)	5%	0.04	0.04	5%	0.05	0.04
JPY Sensitivity (Decrease)	5%	(0.04)	(0.04)	5%	(0.05)	(0.04)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

59.3.3 **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 2017	31st March 2016	1st April 2015
Fixed Rate Instruments			
Financial Assets	–	–	–
Financial Liabilities	68,000.00	40,000.00	40,000.00
	68,000.00	**40,000.00**	**40,000.00**
Variable Rate Instruments			
Financial Assets	–	–	–
Financial Liabilities	126,220.77	74,370.10	76,135.05
	126,220.77	**74,370.10**	**76,135.05**

b. Interest rate Sensitivity

A change in 50 bps in interest rate would have following impact on PBT and Other Equity

Particulars	31st March 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	631.10	496.43	0.50%	371.85	292.50
Interest Rate Decrease by	0.50%	(631.10)	(496.43)	0.50%	(371.85)	(292.50)

59.3.4 **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 2017	31st March 2016	1st April 2015
Investment in Equity Instruments	21,972.01	10,451.20	12,198.49
Investment in Mutual Funds	33,239.30	136,106.12	114,089.01
Investment In Bonds	806.74	13,290.82	19,066.28
Investment in Government Securities	100.93	9,074.39	9,180.41
	56,118.98	**168,922.53**	**154,534.19**

b. Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Market rate Increase	5%	2,805.95	2,207.16	5%	8,446.13	6,643.72
Market rate Decrease	5%	(2,805.95)	(2,207.16)	5%	(8,446.13)	(6,643.72)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

60. Capital Management

The Company 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 less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2017	31st March 2016	1st April 2015
Debt Equity Ratio	0.31	(0.26)	(0.25)

61. Segment Reporting

A) Primary Segment Information

	2016-17				2015-16			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
External Sales (Including Own Consumption)	350,272.49	32,762.00	1,067.72	384,102.21	343,515.60	31,342.00	1,301.52	376,159.12
Total Segment Revenue	**350,272.49**	**32,762.00**	**1,067.72**	**384,102.21**	**343,515.60**	**31,342.00**	**1,301.52**	**376,159.12**
Segment Result	**26,057.04**	**2,307.92**	**(213.95)**	**28,151.01**	**15,068.77**	**2,071.37**	**(96.88)**	**17,043.26**
Less :								
(i) Interest				13,922.86				8,226.09
(ii) Unallocated corporate expenses net of unallocated income				(8,023.71)				(11,269.70)
Profit before Tax				**22,251.86**				**20,086.87**
Tax Expenses				852.09				3,318.48
Profit after tax				**21,399.77**				**16,768.39**
Other Information								
Segment Assets	295,474.96	15,370.33	2,778.66	313,623.95	292,905.90	17,706.22	2,468.56	313,080.68
Unallocated corporate assets				328,097.12				209,760.01
Total				**641,721.07**				**522,840.69**
Segment Liabilities	94,493.26	2,140.40	298.54	96,932.20	77,699.10	2,110.76	263.09	80,072.95
Unallocated corporate liabilities				227,376.21				150,231.02
Total				**324,308.41**				**230,303.97**
Capital Expenditure	11,509.31	647.38	295.53	12,452.22	18,619.61	592.98	103.34	19,315.93
Common Capital Expenditure				500.05				794.74
Total				**12,952.27**				**20,110.67**
Depreciation	13,601.92	792.39	95.63	14,489.94	13,510.10	849.03	95.07	14,454.20
Common Depreciation				229.39				392.72
Total				**14,719.33**				**14,846.92**

B) Secondary Segment Information

The Company operates mainly in the Indian market and the export turnover being 2.01% (Previous year 1.11 %) of the external sales of the Company, there are no reportable geographical segments.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

62. Related Party Disclosures

62.1 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 2017	31st March 2016	1st April 2015
Reliance Cement Co. Pvt Ltd.	India	100%	Nil	Nil
Birla Corporation Cement Manufacturing PLC (Under Voluntary Winding-up)	Ethiopia	100%	100%	100%
Birla Jute Supply Company Limited	India	100%	100%	100%
Talavadi Cements Limited	India	98.01%	98.01%	98.01%
Lok Cement Limited	India	100%	100%	100%
Budge Budge Floorcoverings Ltd.	India	100%	100%	100%
Birla Cement (Assam) Ltd.	India	100%	100%	100%
M. P. Birla Group Services Pvt. Ltd.	India	100%	100%	100%

62.2 Other related parties with whom transactions have taken place during the year and previous year are :

Nature	Name of the Company
Associates	Birla Readymix Private Limited
	Birla Odessa Industries Private Limited

Nature	Name	Designation
Key Management Personnels	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor

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 Corporation Superannuation Fund

62.3 Transactions during the year

Particulars	2016–2017				2015–2016			
	Subsidiaries	Associates	Key Management Personnel	Post Employment Benefit Plan Trust	Subsidiaries	Associates	Key Management Personnel	Post Employment Benefit Plan Trust
Sales of goods/services Provided	557.74	–	–	–	–	–	–	–
Purchase of Goods/ Services Received	2,101.38	–	–	–	98.67			–
Investment in Equity Shares	225,352.00	–	–	–	–	–	–	–
Investment in Preference Shares	10,000.00	–	–	–	–	–	–	–
Gain on Restatement of Investment (Mark to Market)	257.00	–	–	–	–	–	–	–
Payment of Rent	8.64	–	–	–	8.64	–	–	–
Receipt of Rent	0.02	–	–	–	0.03	–	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

Particulars	2016–2017				2015–2016			
	Subsidiaries	Associates	Key Management Personnel	Post Employment Benefit Plan Trust	Subsidiaries	Associates	Key Management Personnel	Post Employment Benefit Plan Trust
Advances given	9,110.05	0.07	–		39.00	0.10	–	–
Advances recovered	9,053.50	–	–		13.73	–	–	–
Interest Received	127.12	–	–		0.86	–	–	–
Provisions	3.21	–	–		–	–	–	–
Paid to Trust-Employees Provident Fund Contribution	–	–	–	563.56	–	–	–	514.75
Paid to Trust-Employees Gratuity Fund Contribution	–	–	–	1,500.00	–	–	–	1,200.01
Paid to Trust-Employees Superannuation Fund Contribution	–	–	–	354.18	–	–	–	347.71
Remuneration, Perquisites & Others (Refer Note No. 62.3.1)	–	–	516.08	–	–	–	395.05	–
Corporate Gurantee issued	62,546.90	–	–	–	–	–	–	–

62.3.1 Key Management Personnel compensation

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Short-Term Employee Benefits	474.48	356.18
Post-Employment Benefits	31.79	30.62
Long-Term Employee Benefits	9.81	8.25
Total Compensation	**516.08**	**395.05**

62.4 Balance Outstanding as at the balance sheet date

Particulars	31st March 2017	31st March 2016	1st April 2015
Trade Payables			
Subsidiaries	984.14	–	–
Provision for Employees benefit			
Post employment benefit plan Trust	872.43	939.88	1,374.40
Trade Receivables			
Subsidiaries	3.66	–	–
Other Receivables			
Subsidiaries	494.44	–	–
Advances Given			
Subsidiaries	312.30	252.84	226.79
Associates	0.17	0.10	–
Corporate Gurantee Outstanding			
Subsidiaries	62,546.90	–	–
Provision for Doubtful Advances			
Subsidiaries	7.30	4.09	4.09

Terms and Conditions of transactions with Related Parties :

The sale to and purchase 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 Gurantee isuued 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 occures in cash for the year ended 31st March, 2017, the Company has recorded the receivable relating to amount due from Related Parties net of impairment. 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2017

(` in lacs)

63. **Details of Specified Bank Notes held and transacted during the period 8th November 2016 to 30th December 2016 are provided as below :**

Particulars	SBNs	Other	Total
Closing cash in hand as on 8th November 2016	25.57	3.57	29.14
Add: Permitted Receipts	0.10	79.79	79.89
Less: Permitted Payments	–	69.04	69.04
Less: Amount deposited in Banks	25.67	0.60	26.27
Closing cash in hand as on 30th December 2016	–	13.72	13.72

64. Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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)

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 Company Limited	Talavadi Cements Limited	Lok Cements Limited	Budge Budge Floor Coverings Limited	Birla Cement (Assam) Limited	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	2,07,127.72	89.09	256.11	(326.53)	(213.57)	(1.70)	(1.30)
3.	Total Assets	5,65,091.61	95.34	905.43	32.62	212.01	3.37	0.77
4.	Total Liabilities	3,26,681.59	0.25	49.32	259.08	25.59	0.07	0.07
5.	Investments	200.06	–	0.10	–	16.34	–	–
6.	Turnover	1,06,926.74	–	–	–	8.64	–	–
7.	Profit Before Taxation	744.60	5.55	38.98	(9.25)	(2.06)	(0.13)	(0.14)
8.	Provision for Taxation	232.44	1.66	(0.85)	–	(2.96)	–	–
9.	Profit after Taxation	512.16	3.89	39.83	(9.25)	0.90	(0.13)	(0.14)
10.	Proposed Dividend	–	–	–	–	–	–	–
11.	% of Shareholding	100%	100%	98.01%	100%	100%	100%	100%

*The figures of the Relience Cement Company Pvt. Ltd. has been taken w.e.f. 22.08.2016.

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) Names of subsidiaries which are yet to commence operations.
   i. M/s Lok Cements Limited.
   ii. M/s Birla Cement (Assam) Limited.
   iii. M/s M. P. Birla Group Services Pvt. Ltd.
   b) Names of 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	0.05	0.05
	b. Amount of Investment in Associates	0.50	0.49
	Extend of Holding %	46.73%	48.62%
3.	Description of how there is significant influence	NA	NA
4.	Reasons why the associate is not considered	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	(31.77)	(5.40)
6.	Profit/ Loss for the year		
	i. Considered in consolidation	(0.19)	(0.21)
	ii. Not considered in Consolidation		

a) Names of associates which are yet to commence operations: NIL.
b) Names of associates which have been liquidated or sold during the year: NIL.

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 26th day of May, 2017

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") its subsidiaries and its associates (the Holding Company, its subsidiaries and its associates together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 (hereinafter referred to as "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 consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 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.

AUDITOR'S 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 there under.

We conducted our audit of the consolidated 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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 of the Other Matters paragraph 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 and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates referred to below in the Other Matters paragraph, 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, of the consolidated state of affairs of the Group as at 31 March, 2017, and their consolidated profit (including consolidated total comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

OTHER MATTERS

a) We have not audited the financial statements of six (6) Indian subsidiaries whose financial statements reflect total assets of

` 1,249.54 lacs as at 31st March 2017, total revenues of ` 93.82 lacs and net cash outflow amounting to Rs. 6.44 lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Nil for the year ended 31st March, 2017, as considered in the consolidated Ind AS financial statements, in respect of two (2) associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

b) The Consolidated Ind As Financial Statements have been prepared by considering the Fit for Consolidation (FFC) financial statements of one Indian subsidiary whose Ind AS financial statements reflect total assets of ` 565,091.61 lacs as at 31st March 2017, total revenues of ` 116,850.78 lacs and net cash inflow amounting to ` 528.55 lacs for the period from 22nd August 2016 to 31st March, 2017. The management of the company has prepared FFC based on the principles and requirements of Indian Accounting Standard (Ind AS -103) on "Business Combination". This FFC have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

c) The comparative financial information for the year ended 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 in respect of the above mentioned subsidiaries and associates, included in this consolidated Ind AS financial statement, prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

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 our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of subsidiaries and associates referred to in the Other Matters paragraph above, 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 far 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), the Consolidated Cash Flow Statement and 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 Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and associates, none of the directors of the Group Companies are disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding Company, subsidiaries and associates. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company, subsidiaries and associates internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditors' 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 :

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 42.1 to 42.6 to the consolidated Ind AS financial statements;

   ii. The Group did not have any material foreseeable losses 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 subsidiaries and associates.

iv. The Holding Company has provided requisite disclosures in Note No. 63 to its consolidated Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management of the Holding Company and based on separate auditor's report of subsidiaries, we report that the disclosures are in accordance with the relevant books of accounts maintained by Holding Company and subsidiaries for the purpose of preparation of the consolidated Ind AS financial statements.

For **H. P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No. 302050E

Rajiv Singhi
Partner
Membership No. 053518

Place : KOLKATA
Dated : 26th day of May, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s Birla Corporation Limited for the year ended 31st March 2017, we report that :

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of the Holding Company. Based on the comments made by the Independent Auditors of the Subsidiaries and Associates (covered entities) with respect to the internal financial controls over financial reporting as required in terms of sub-section (3) (i) of Section 143 of the Act, we report as under:

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and the covered entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and covered entities' internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 Holding Company, its subsidiaries and its associates 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 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to seven (7) subsidiaries and two (2) associates, is based on the corresponding reports of the auditors of such companies.

For **H. P. Khandelwal & Co.**
Chartered Accountants
Firm's Registration No. 302050E

Rajiv Singhi
Partner
Membership No. 053518

Place : KOLKATA
Dated : 26th day of May, 2017

CONSOLIDATED BALANCE SHEET as at 31st March, 2017

(` in lacs)

	Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
ASSETS							
NON-CURRENT ASSETS	**6**	5,42,365.34		2,03,025.12		1,92,109.59	
Property, Plant and Equipment		80,341.96		6,336.69		12,281.87	
Capital Work-In-Progress	**7**	18.34		9.20		9.45	
Investment Property		15.28		15.28		15.28	
Goodwill on Consolidation	**8**	93,816.90		265.91		412.96	
Intangible Assets		192.46		-		–	
Intangible Assets under Development	**9**	82.02		82.55		90.22	
Biological Assets other than bearer plants		**7,16,832.30**		**2,09,734.75**		**2,04,919.37**	
Financial Assets							
Investments	**10**	22,887.28		31,546.40		51,125.51	
Trade Receivables	**11**	–		–		–	
Loans	**12**	70.40		37.18		32.98	
Other Financial Assets	**13**	5,294.22		3,518.86		3,669.49	
Non-Current Tax Asset (Net)		5,140.16		5,067.68		4,918.43	
Other Non-Current Assets	**14**	10,093.15	**7,60,317.51**	5,619.51	**2,55,524.38**	5,202.74	**2,69,868.52**
CURRENT ASSETS							
Inventories	**15**	63,017.69		56,740.55		55,254.24	
Financial Assets							
Investments	**16**	33,530.03		1,37,440.50		1,03,425.49	
Trade Receivables	**11**	13,252.64		9,423.93		8,691.80	
Cash and Cash Equivalents	**17**	8,830.15		10,696.72		7,112.47	
Bank Balances other than Note 17	**18**	22,416.84		25,641.13		39,689.39	
Loans	**12**	154.42		211.05		162.79	
Other Financial Assets	**13**	1,019.16		477.38		2,363.71	
Other Current Assets	**14**	67,115.07		26,648.52		23,473.34	
Non-Current Assets classified as Held for Sale	**19**	128.12	**2,09,464.12**	128.24	**2,67,408.02**	128.24	**2,40,301.47**
Total Assets			**9,69,781.63**		**5,22,932.40**		**5,10,169.99**
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital	**20**	7,700.89		7,700.89		7,700.89	
Other Equity	**21**	3,22,797.96	**3,30,498.85**	2,84,830.97	**2,92,531.86**	2,76,001.72	**2,83,702.61**
Non-Controlling Interest			2.76		1.97		1.35
LIABILITIES							
NON-CURRENT LIABILITIES							
Financial Liabilities							
Borrowings	**22**	4,04,907.54		78,968.68		1,09,336.79	
Other Financial Liabilities	**23**	22,880.54		19,335.20		16,623.73	
Provisions	**24**	3,755.17		2,507.72		2,325.22	
Deferred Tax Liabilities (Net)	**25**	56,447.52		18,297.20		19,713.76	
Non-Current Tax Liabilities (Net)		763.76		800.86		792.56	
Other Non-Current Liabilities	**26**	19,178.46	**5,07,932.99**	16,983.47	**1,36,893.13**	18,873.63	**1,67,665.69**
CURRENT LIABILITIES							
Financial Liabilities							
Borrowings	**27**	2,138.58		14,275.78		14,082.55	
Trade Payables	**28**						
Total outstanding dues of creditors to micro enterprises and small enterprises		130.52		66.27		–	
Total outstanding dues of creditor to other than micro enterprises and small enterprises		36,655.76		16,205.71		16,048.88	
Other Financial Liabilities	**23**	69,191.35		47,429.61		17,005.30	
Other Current Liabilities	**26**	20,289.43		12,945.12		9,348.27	
Provisions	**24**	1,755.51		1,838.49		2,315.34	
Current Tax Liabilities (Net)	**29**	1,185.88	**1,31,347.03**	744.46	**93,505.44**	–	**58,800.34**
Total Equity and Liabilities			**9,69,781.63**		**5,22,932.40**		**5,10,169.99**
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 **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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)

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the Year ended 31st March, 2017

(` in lacs)

	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
INCOME			
Revenue from Operations	**30**	498121.97	376159.12
Other Income	**31**	14653.75	17738.91
Total Income		**512775.72**	**393898.03**
EXPENSES			
Cost of Materials Consumed	**32**	66455.32	61699.27
Purchases of Stock-in-Trade	**33**	-	88.91
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	**34**	1443.46	(1,403.21)
Excise Duty		63355.32	49343.41
Employee Benefits Expense	**35**	30625.52	24374.65
Finance Costs	**36**	27678.54	8226.09
Depreciation and Amortisation Expense	**37**	25550.31	14876.29
Other Expenses	**38**	273955.58	213447.90
Total Expenses		**489064.05**	**370653.31**
Profit before Exceptional Items and Tax		**23711.67**	**23244.72**
Exceptional Items	**39**	682.14	3149.48
Profit before Tax		**23029.53**	**20095.24**
Tax Expense :	**40**		
Current Tax		1293.85	61.36
Deferred Tax		(211.47)	3276.53
Income Tax for earlier years		-	15.72
Profit for the year before share in profit of associates and non-controlling interest		21947.15	16773.07
Less:Share of Profit/(Loss) of Associates (Net of Tax Expenses)		-	-
Profit for the year		21947.15	16773.07
Profit attributable to:			
Owners of the Parent		21946.36	16772.45
Non-controlling Interest		0.79	0.62
Other Comprehensive Income :			
A Items that will not be reclassified to profit or loss	**41**	9489.80	(2,068.80)
Income tax relating to these Item		(2,010.67)	716.05
		7479.13	(1,352.75)
B. Items that will be reclassified to profit or loss		112.04	(132.32)
Income tax relating to these items		(38.32)	45.79
		73.72	(86.53)
Other Comprehensive Income for the year (Net of Tax)		**7552.85**	**(1,439.28)**
Other Comprehensive Income attributable to:			
Owners of the Parent		**7552.85**	**(1,439.28)**
Non-controlling Interest		-	-
Total Comprehensive Income for the period		**29500.00**	**15333.79**
Total Comprehensive Income attributable to:			
Owners of the Parent		**29,499.21**	**15,333.17**
Non-controlling Interest		**0.79**	**0.62**
Earnings Per Equity Share (of ` 10/- each)			
Basic & Diluted (`)		**28.50**	**21.78**
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 **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017

(` in lacs)

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Cash Flow from Operating Activities :				
Profit after Exceptional Items & before Tax	23,029.53		20,095.24	
Adjustments for :				
Depreciation & Amortisation	25,550.31		14,876.29	
Investing Activities (Net)	(11,774.21)		(15,826.58)	
Provision for doubtful debts	100.44		–	
(Profit)/Loss on sale/ discard of Fixed Assets (Net)	52.16		(3.32)	
Fair Valuation for Biological Assets other than bearer plants	3.74		6.67	
Deffered Revenue	41.71		47.20	
Excess Liabilities and unclaimed balances & Provision written back (Net)	(2,088.94)		(1,438.41)	
Excess Depreciation written back	(48.63)		(138.55)	
Unrealised Foreign Exchange Fluctuations	(426.22)		832.68	
Finance Costs	27,678.54		8,226.09	
Operating Profit before Working Capital changes	**62,118.43**		**26,677.31**	
Adjustments for :				
(Inc)/ Dec in Trade Receivables	(1,189.35)		(703.93)	
(Inc)/ Dec in Inventories	6,314.93		(1,486.31)	
(Inc)/ Dec in Loans, Other Finacial Assets & Other Assets	(16,089.38)		(4,092.75)	
Inc/ (Dec) in Trade Payables & Other Liability	22,100.02		8,306.05	
Inc/ (Dec) in Provisions	(476.54)		(446.46)	
Cash generated from operations	**72,778.11**		**28,253.91**	
Direct Taxes Paid	(5,052.53)		(3,380.89)	
Net Cash from Operating Activities		**67,725.58**		**24,873.02**
Cash Flow from Investing Activities :				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(20,652.62)		(16,942.25)	
Sale of Tangible Assets	245.84		546.05	
(Purchase)/Sale of Liquid Investments (Net)	1,10,077.73		(12,631.57)	
Purchase of Investments	(1,246.00)		169.40	
Sale of Investments	22,355.16		6,800.00	
Acquistion of Subsidiary	(2,16,062.00)		–	
(Inc)/ Dec in Other Bank Balances	3,921.49		14,053.51	
(Inc)/ Dec in Advances to Related Parties	(0.07)		(0.10)	
Interest received	3,049.61		6,793.09	
Dividend received	155.06		110.38	
Net Cash used in Investing Activities		**(98,155.80)**		**(1,101.49)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017 (Contd.)

(` in lacs)

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	1,39,699.59		–	
Repayments of Long Term Borrowings	(62,810.75)		(6,327.44)	
(Repayments)/Proceeds from Short Term Borrowings	(15,867.49)		169.43	
Interest Paid	(27,435.06)		(8,468.36)	
Dividend Paid	(4,620.32)		(4,620.32)	
Corporate Dividend tax paid	(940.59)		(940.59)	
Net Cash used in Financing Activities		**28,025.38**		**(20,187.28)**
Net Increase in Cash and Cash Equivalents		**(2,404.84)**		**3,584.25**
Cash and Cash Equivalents (Opening Balance)		**11,234.99***		**7,112.47**
Cash and Cash Equivalents (Closing Balance) (Refer Note No. 13)		**8,830.15**		**10,696.72**

Note : * Includes ` 538.27 on account of Business Combination.

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

b) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 4.2

c) Figures for the previous year have been re-grouped wherever considered necessary.

d) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities

e) The Notes are an integral part of Financial Statements

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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)

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY for the year ended 31st March, 2017

(` in lacs)

a) Equity Share Capital

Balance as at 1st April 2015	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2016	7,700.89
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2017	**7,700.89**

b) Other Equity

	Attributable to Owners of the Company											
	Reserve & Surplus						Items of Other Comprehensive Income			Total attributable to Owners of the Company	Attributable to Non Controlling Interest	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	Remeasurement of Defined Benefit Plans			
Balance as at 1st April, 2015	**105.65**	**213.32**	**6575.00**	**227940.22**	**(1,238.19)**	**34005.37**	**–**	**8400.35**	**–**	**2,76,001.72**	**1.35**	**2,76,003.07**
Profit for the year	–	–	–	–	–	16772.45	–	–	–	16,772.45	0.62	16,773.07
Mark to market Gain/(Loss)	–	–	–	–	–	–	(132.32)	(1,916.69)	–	(2,049.01)	–	(2,049.01)
Remeasurement Gain/(Loss)	–	–	–	–	–	–	–	–	(152.11)	(152.11)	–	(152.11)
Impact of Tax	–	–	–	–	–	–	45.79	663.33	52.72	761.84	–	761.84
Total Comprehensive Income	**–**		**–**	**–**	**- -**	**16,772.45**	**(86.53)**	**(1,253.36)**	**(99.39)**	**15,333.17**	**0.62**	**15,333.79**
Final Dividend 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	–	–	1,000.00	–	–	(1,000.00)	–	–	–	-	–	–
Transfer to General Reserve	–	–	–	7,100.00	–	(7,100.00)	–	–	–	–	–	–
Exchange Gain/(Loss) during the year (Net of Amortisation)	–	–	–		(943.01)		–	–	–	(943.01)	–	(943.01)
	-		1,000.00	7,100.00	(943.01)	(13,660.91)	-	-	-	(6,503.92)	-	(6,503.92)
Balance as at 31st March, 2016	**105.65**	**213.32**	**7,575.00**	**2,35,040.22**	**(2,181.20)**	**37,116.91**	**(86.53)**	**7,146.99**	**(99.39)**	**2,84,830.97**	**1.97**	**2,84,832.94**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY for the year ended 31st March, 2017

b) Other Equity

(` in lacs)

	Attributable to Owners of the Company											
	Reserve & Surplus						Items of Other Comprehensive Income					
	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	Remeasure-ment of Defined Benefit Plans	Total attributable to Owners of the Company	Attribu-table to Non Contro-lling Interest	Total
Balance as at 31st March, 2016	**105.65**	**213.32**	**7,575.00**	**2,35,040.22**	**(2,181.20)**	**37,116.91**	**(86.53)**	**7,146.99**	**(99.39)**	**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	10269.45	–	10,337.61	–	10,337.61
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	–	–	–	–	–	–	(38.32)	(2,191.66)	180.99	(2,048.99)	–	(2,048.99)
Total Comprehensive Income	–	–	–	–	–	**21,946.36**	**73.72**	**8,077.79**	**(598.66)**	**29,499.22**	**0.79**	**29,500.01**
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	–	–	1582.64		–	(1,582.64)	–	–	–	-	–	-
Transfer to General Reserve	–	–	(3,000.00)	18,000.00	–	(15,000.00)	–	–	–	-	–	-
On account of Business Combination (Refer Note No. 52)	–	12481.16	–	–	–	–	–	–	–	12,481.16	–	12,481.16
Exchange Gain/(Loss) during the year (Net of amortisation)	–	–	–	–	1547.53	–	–	–	–	1,547.53		1,547.53
	–	12,481.16	(1,417.36)	18,000.00	1,547.53	(22,143.55)	–	–	–	8,467.78	–	8,467.78
Balance as at 31st March, 2017	**105.65**	**12,694.48**	**6,157.64**	**2,53,040.22**	**(633.67)**	**36,919.71**	**(12.79)**	**15,224.78**	**(698.05)**	**3,22,797.97**	**2.76**	**3,22,800.73**

The notes are an integral part of the Consolidated Financial Statements

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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 for the year ended 31st March 2017

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 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 Company transformed from being a manufacturer of jute goods to a leading multi-product corporation with widespread activities. 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. The Parent Company, its subsidiaries and associates together referred as "the Company" or "the Group".

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 notified 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 for all periods up to and including the year ended 31st March, 2016, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended 31st March, 2017 are the first Ind AS financial statements with comparatives, prepared under Ind AS. The Group has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2015 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101"First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note No. 56 Certain of the Group's Ind AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2015 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events and transactions before the date of transition to Ind AS were recognized directly through retained earnings as at 1st April, 2015 as required by Ind AS 101. The financial statements of the Group for the year ended 31st March, 2017 have been approved by the Board of Directors in their meeting held on 26th May, 2017.

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.

2.3 **Functional and Presentation Currency**

The Financial Statements have been presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs 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 sold or consumed in normal operating cycle;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

- 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 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 2017.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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

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 as 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.

On transition to Ind AS

Ind AS 103 'Business Combinations' has not been applied to acquisitions of subsidiaries, or of interests in associates that occurred before the transition date.

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, 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 at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

4.3 **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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

- 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.
- 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 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).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and 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 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 on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

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.

➢ **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 specific 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

4.6.4 **Other Operating Revenue**

Export incentive and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

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 employees' services up to the end of the reporting period.

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) 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) 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**

Defined contribution plans such as provident fund, etc., are charged to the statement of profit and loss as and when incurred. Further for certain employees the monthly contribution for provident fund is made to a trust administered by the Group. The interest payable by the trust is notified by the government. The Group has an obligation to make good the shortfall, if any. The expenses on account of provident fund maintained by the trust 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 rate of exchanges at the reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

- 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 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.

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 for the year ended 31st March 2017 (Contd.)

❒ **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 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

- **Derecognition**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting inancial 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 saps and cross currency swaps to manage its exposure to interest rate and foreign exhcnage rte risks. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fari 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.

- **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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

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.

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 are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, 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 Agreement are amortized over the period of five to twenty years.
- Useful life of Trade Mark 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 which 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 off 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 for the year ended 31st March 2017 (Contd.)

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 but not yet Effective

The standard issued but not yet effective up to the date of issuance of the Group's financial Statements is disclosed below. The Group intends to adopt this Standard when it becomes effective.

- Ind AS 7 – Statement of Cash Flows

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

The MCA has notified Companies (Indian Accounting Standards) (Amendment) Rules, 2017 to amend the above Ind AS's. The amendment will come into force from accounting period commencing on or after April 1, 2017. The Group is in the process of assessing the possible impact of Ind AS 7: Statement of Cash Flows 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 he balance shet 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 of these models are thken from observable markets where possible, but where this not feasible, a degre 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 for the year ended 31st March 2017 (Contd.)

6. PROPERTY, PLANT AND EQUIPMENT

(` in lacs)

Particulars	Year Ended 31st March 2016												
	Gross Carrying Amount						Accumulated Depreciation						
	Deemed cost as at 1st April 2015	Additions	Transfer	Disposals	Other Adjust-ments	**As at 31st March 2016**	As at 1st April 2015	Depre-ciation charged during the year	Transfer	Deductions	Other Adjust-ments	**As at 31st March 2016**	**Net Carrying Amount**
Leasehold Land	57.32	–	–	–	–	57.32	–	0.81	–	–	–	0.81	56.51
Freehold Land 6.1	7,697.67	701.14	–	–	–	8,398.81	–	–	–	–	–	–	8,398.81
Sub-Total	7,754.99	701.14	–	–	–	8,456.13	–	0.81	–	–	–	0.81	8,455.32
Buildings 6.1	14,381.75	3,406.24	–	–	268.78	18,056.77	–	684.19	–	–	–	684.19	17,372.58
Plant and Machinery	1,66,462.98	17,994.34	–	422.48	2,961.93	1,86,996.77	–	13,308.23	–	22.44	–	13,285.79	1,73,710.98
Furniture and Fittings	507.85	91.24	–	0.24	–	598.85	–	72.16	–	–	–	72.16	526.69
Vehicles	1,036.59	356.80	–	2.42	–	1,390.97	–	231.57	–	0.41	–	231.16	1,159.81
Office Equipments	943.06	260.74	–	2.02	3.32	1,205.10	–	342.82	–	0.13	–	342.69	862.41
Railway Sidings	1,022.37	1.60	–	–	2.57	1,026.54	–	89.21	–	–	–	89.21	937.33
Total	**1,92,109.59**	**22,812.10**	**–**	**427.16**	**3,236.60**	**2,17,731.13**	**–**	14,728.99	**–**	**22.98**	**–**	**14,706.01**	**2,03,025.12**
Capital Work-In-Progress	12,281.87	2,193.03	8,166.31	–	28.10	6,336.69	–	–	–	–	–	–	6,336.69

Particulars	Year Ended 31st March 2017													
	Gross Carrying Amount							Accumulated Depreciation						
	As at 1st April 2016	Additions through Business Combina-tion	Additions	Transfer	Disposals	Other Adjust-ments	**As at 31st March 2017**	As at 1st April 2016	Depre-ciation charged during the year	Transfer	Deductions	Other Adjust-ments	**As at 31st March 2017**	**Net Carrying Amount**
Leasehold Land	57.32	15,177.20	–	–	–	–	15,234.52	0.81	126.83	–	0.20	–	127.44	15,107.08
Freehold Land	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	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	1,86,996.77	1,99,061.51	13,769.88	–	256.93	248.31	3,99,819.54	13,285.79	20,721.20	–	21.39	–	33,985.60	3,65,833.94
Furniture and Fittings	598.85	224.99	68.42	–	0.85	–	891.41	72.16	93.96	–	0.56	–	165.56	725.85
Vehicles	1,390.97	199.10	190.52	–	37.63	–	1,742.96	231.16	256.42	–	23.23	–	464.35	1,278.61
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 Slidings	1,026.54	5,496.47	2,174.90	–	–	0.91	8,698.82	89.21	388.23	–	–	–	477.44	8,221.38
Total	**2,17,731.13**	**3,44,388.03**	**18,984.29**	**–**	**311.63**	**318.69**	**5,81,110.51**	**14,706.01**	**24,086.76**	**–**	**47.60**	**–**	**38,745.17**	**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 Includes ` 8.85 in Land and ` 915.26 in Building under Co-ownership basis and also ` 0.15 being value of investments in Shares of a Private Limited Company.

6.2 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. 38.2 to the financial statement. Accordingly, the amount decapitalized during the year with the Property, Plant and Equipment amounts to ` 11.93 (Previous Year capitalized ` 2,648.38).

6.3 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ` 1,138.08 Lacs (Previous Year ` 257.89). (Refer Note No. 36)

6.4 Refer note no. 45 for information on property, plant and equipment pledged as securities by the Company.

6.5 Refer note no. 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

7. INVESTMENT PROPERTY

(` in lacs)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Gross Carrying Amount		
Opening gross carrying amount/Deemed Cost	9.45	9.45
Addition/Other Adjustments	9.64	–
Closing gross carrying amount	**19.09**	**9.45**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.25	–
Depreciation charged during the year	0.50	0.25
Closing Accumulated Depreciation	0.75	0.25
Net Carrying Amount	**18.34**	**9.20**

7.1 The fair value of the Group's investment properties as at 1st April 2015, 31st March 2016 and 31st March 2017 are ` 2,009.84, ` 2,125.65 and ` 2,240.48 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, 2017	For the year ended 31st March, 2016
Rental Income	13.68	7.73
Direct Operating Expenses in relation to		
Properties generating rental income	52.94	75.14

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 Refer note no. 45 for information on investment property pledged as securities by the Group.

7.5 Contractual commitments for the acquisition of Investment Property is NIL (Previous Year - 31.3.2016 NIL and 01.04.2015 NIL)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

8. INTANGIBLE ASSETS

(` in lacs)

Particulars	Year Ended 31st March 2016										
	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount
	Deemed cost as at 1st April 2015	Additions	Disposals	Other Adjustments	**As at 31st March 2016**	As at 1st April 2015	Charged during the year	Deductions	Other Adjustments	**As at 31st March 2016**	
Computer Software	189.73	–	–	–	189.73	–	135.23	–	–	135.23	54.50
Mining Rights	223.23	–	–	–	223.23	–	11.82	–	–	11.82	211.41
Total	**412.96**	**–**	**–**	**–**	**412.96**	**–**	**147.05**	**–**	**–**	**147.05**	**265.91**

Particulars	Year Ended 31st March 2017											
	Gross Carrying Amount					Accumulated Depreciation						
	As at 1st April 2016	Addition Through Business Combination	Additions	Disposals	Other Adjustments	As at 31st March 2017	As at 1st April 2016	Charged during the year	Deductions	Other Adjustments	As at 31st March 2017	Net Carrying Amount
Computer Software	189.73	139.05	263.52	–	–	592.30	135.23	60.03	–	–	195.26	397.03
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	71,781.61
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. 45 for Information on Property, Plant and Equipment pledged as securities by the Company.

9. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(` in lacs)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Balance	82.55	90.22
Additions	4.60	–
Disposals	1.39	1.00
Fair Value Adjustments	(3.74)	(6.67)
Closing Balance	**82.02**	**82.55**

9.1 The Group owns bearer biological assets i.e, live stock from which milk is produced. The live stock is maintained by the company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

10. NON-CURRENT INVESTMENTS (` in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
DEBT INSTRUMENTS AT AMORTISED COST								
Investment in Government Securities								
Quoted								
8.33% GOI 2036		100	-	-	-	-	25,00,000	2,699.95
7.35% GOI 2024		100	-	-	-	-	5,00,000	498.30
7.80% GOI 2021		100	-	-	-	-	10,00,000	951.49
7.94% GOI 2021		100	-	-	-	-	10,00,000	1,029.61
6.90% GOI 2019		100	-	-	-	-	1,00,000	99.90
6.05% GOI 2019		100	-	-	-	-	40,00,000	3,901.08
Sub Total				**-**		**-**		**9,180.33**
Unquoted								
National Savings Certificate	10.1	17,500	1	0.18	1	0.18	1	0.18
Sub Total				**0.18**		**0.18**		**0.18**
Investments In Quoted Bonds								
9.70% IFCI Ltd. 2030		10,00,000	-	-	-	-	63	630.00
8.16% Power Finance Corporation Ltd. 2026		1,00,000	-	-	-	-	1,000	1,000.00
9.55% IFCI Ltd. 2025		10,00,000	-	-	-	-	13	130.00
8.00% Indian Railways Finance Corporation Ltd. 2022		1,000	-	-	-	-	21,751	217.51
8.20% National Highways Authority of India 2022		1,000	-	-	-	-	24,724	247.24
0.00% NABARD Bhavishya Nirman Bond 2019		20,000	-	-	-	-	52,120	7,717.37
11.00% IDBI Bank Ltd. 2018		10,00,000	-	-	-	-	50	523.63
11.00% Power Finance Corporation Ltd. 2018		10,00,000	-	-	-	-	50	531.23
6.30% Indian Railway Finance Corporation Ltd. 2017		1,00,000	-	-	-	-	275	268.17
8.85% Canara Bank 2016		10,00,000	-	-	-	-	50	500.89
8.90% Konkan Railway Corporation Ltd. 2016		10,00,000	-	-	-	-	50	501.20
Sub Total				**-**		**-**		**12,267.24**
TOTAL (A)				**0.18**		**0.18**		**21,447.75**
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME								
Equity Investments								
Quoted								
Century Textiles & Industries Ltd.		10	18,07,660	19,037.37	18,07,660	9,575.18	18,07,660	11,517.51
Birla Cables Ltd. (Erstwhile Birla Ericsson Optical Ltd)		10	53,88,515	2,112.30	9,38,515	293.29	9,38,515	496.01
Universal Cables Ltd.	10.2	10	8,00,157	807.76	8,00,157	579.31	4,68,000	181.82
Hindustan Media Ventures Ltd		10	4,440	12.60	600	1.50	600	1.32
Rameshwara Jute Mills Ltd.		10	19,133	1.20	19,133	1.20	19,133	1.20
Vindhya Telelinks Ltd.		10	100	0.65	100	0.62	100	0.51
Birla Precision Technologies Ltd		2	2,121	0.10	2,121	0.06	2,121	0.06
Zenith Birla (I) Ltd.		10	6,362	0.03	6,362	0.04	6,362	0.06
Sub Total				**21,972.01**		**10,451.20**		**12,198.49**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
Unquoted								
Birla Buildings Ltd.		10	24,000	2.47	24,000	2.47	24,000	2.47
Neosym Industry Limited		10	52,000	1.19	52,000	1.19	52,000	1.19
Lotus Court Ltd.		10	1	0.46	1	0.46	1	0.46
Industry House Ltd.		10	600	0.40	600	0.40	600	0.40
Eastern Economist Ltd.		10	400	0.40	400	0.40	400	0.40
Woodlands Multispeciality Hospital Ltd.		10	520	0.05	520	0.05	520	0.05
Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.01	10	0.01	10	0.01
Elgin Mills Co. Ltd		10	2,250	0.14	2,250	0.14	2,250	0.14
Bally Jute Mills Employees Consumers' Co-operative Stores Limited.		10	250	0.03	250	0.03	250	0.03
Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.01	15	0.01	15	0.01
Craig Jute Mills Ltd		3	50	0.00	50	0.00	50	0.00
Sub Total				**5.16**		**5.16**		**5.16**
Investment in Quoted Government Securities								
6.90% GOI 2019		100	1,00,000	100.85	1,00,000	98.56	–	–
6.05% GOI 2019		100	–	–	40,00,000	3,863.60	–	–
8.33% GOI 2036		100	–	–	25,00,000	2,603.75	–	–
7.94% GOI 2021		100	–	–	10,00,000	1,010.70	–	–
7.80% GOI 2021		100	–	–	10,00,000	1,008.20	–	–
7.35% GOI 2024		100	–	–	5,00,000	489.50	–	–
Sub Total				**100.85**		**9,074.31**		**–**
Investments In Quoted Bonds								
9.70% IFCI Ltd. 2030		10,00,000	63	671.30	63	678.80	–	–
9.55% IFCI Ltd. 2025		10,00,000	13	135.44	13	134.04	–	–
0.00% NABARD Bhavishya Nirman Bond 2019		20,000	–	–	52,120	8,397.32	–	–
8.16% Power Finance Corporation Ltd. 2026		1,00,000	–	–	1,000	1,214.60	–	–
11.00% IDBI Bank Ltd. 2018		10,00,000	–	–	50	534.10	–	–
11.00% Power Finance Corporation Ltd. 2018		10,00,000	–	–	50	531.75	–	–
8.20% National Highways Authority of India 2022		1,000	–	–	24,724	279.08	–	–
8.00% Indian Railways Finance Corporation Ltd. 2022		1,000	–	–	21,751	243.68	–	–
Sub Total				**806.74**		**12,013.37**		**–**
TOTAL (B)				**22,884.76**		**31,544.04**		**12,203.65**
INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS								
Invetsment In Preference Shares–Unquoted								
Elgin Mills Co. Ltd.			100	0.01	100	0.01	100	0.01
Sub Total				**0.01**		**0.01**		**0.01**
Investments in Mutual Funds								
QUOTED								
ICICI Prudential FMP Series 70 372 Days Plan L Direct Plan Growth			–	–	–	–	60,99,999	702.32
Sub Total				**-**		**-**		**702.32**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
UNQUOTED								
UTI Master Share Unit Scheme-Dividend Plan-Payout			7,200	2.33	7,200	2.17	7,200	2.59
L&T Short Term Opportunities Fund Direct Plan Growth			–	–	–	–	4,05,03,429	5,471.45
IDFC SSIF Short Term Direct Plan Growth			–	–	–	–	1,17,47,209	3,409.20
IDFC SSIF Medium Term Direct Plan Growth			–	–	–	–	1,21,40,243	2,908.24
HDFC Medium Term Opportunities Fund Direct Plan Growth			–	–	–	–	1,52,75,105	2,325.42
HDFC Short Term Opportunities Fund Direct Plan Growth			–	–	–	–	1,50,58,045	2,301.02
JM Short Term Fund Direct Plan Growth			–	–	–	–	17,73,186	353.86
Sub Total				**2.33**		**2.17**		**16,771.78**
TOTAL (C)				**2.34**		**2.18**		**17,474.11**
TOTAL NON–CURRENT INVESTMENTS				**22,887.28**		**31,546.40**		**51,125.51**
Aggregate Book Value of Quoted Investments				**22,879.60**		**31,538.88**		**34,348.38**
Aggregate Fair Value of Quoted Investments				**22,879.60**		**31,538.88**		**34,264.23**
Aggregate Amount of Unquoted Investments				**7.68**		**7.52**		**16,777.13**

Notes :

10.1 Deposited with Government Department as Security.

10.2 Shares of Universal Cables Ltd includes 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 Hon'ble High Court of Delhi. By said order, status quo has been directed to maintain with respect to 2705553 number of additional shares alloted under category 'C' of basis of allotment.

11. TRADE RECEIVABLES

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Receivables	11.1 & 11.2	1,674.68	1,102.03	1,130.26	13,252.64	9,423.93	8,691.80
Less: Provision for Doubtful Receivables		1,674.68	1,102.03	1,130.26	–	–	–
Total Trade Receivables		**–**	**–**	**–**	**13,252.64**	**9,423.93**	**8,691.80**
Break Up of Security Details							
Secured, considered good		–	–	–	8,059.91	3,485.55	2,026.48
Unsecured, considered good		–	–	–	5,192.73	5,938.38	6,665.32
Doubtful		1,674.68	1,102.03	1,130.26	–	–	–
Total		1,674.68	**1,102.03**	**1,130.26**	**13,252.64**	**9,423.93**	**8,691.80**
Less : Provision for Doubtful Receivables		1,674.68	1,102.03	1,130.26	–	–	–
Total Trade Receivables		**–**	**–**	**–**	**13,252.64**	**9,423.93**	**8,691.80**

11.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

11.2 No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

12. LOANS

Particulars	Refer Note No.	Long Term			Short Term		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loan & Advances to Related Parties	12.1 & 12.2						
Unsecured, considered good		–	–	–	0.17	0.10	–
Unsecured,considered doubtful		7.30	4.09	4.09	–	–	–
		7.30	4.09	4.09	0.17	0.10	–
Less: Provision for doubtful advances		7.30	4.09	4.09	–	–	–
		–	–	–	0.17	0.10	–
Other Loans and Advances							
Advance to Employees, unsecured, considered good		47.44	37.18	32.98	154.25	210.95	162.79
Advance to Employees, secured, considered good		22.96	–	–	–	–	–
Total Loans		**70.40**	**37.18**	**32.98**	**154.42**	**211.05**	**162.79**

12.1 No Loans are due from directors or other officers of the Group either severally or jointly with any other person.

12.2 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013

Particulars	Refer Note No.	Balance Outstanding			Maximum Amount Outstanding		
		As at			For the year ended		
		31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
i. Associate Companies							
Birla Odessa Industries Private Limited	(ii)(a)	0.08	0.04	–	0.08	0.04	0.02
Birla Readymix Private Limited	(ii)(a)	0.09	0.06	–	0.09	0.06	2.00
ii. Purpose for which the advance was provided							
a. Advance given for working capital needs		–	–	–	–	–	–

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

13. OTHERS FINANCIAL ASSETS

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposits							
Unsecured, considered good		4,445.37	3,050.90	2,813.34	–	–	–
		4,445.37	**3,050.90**	**2,813.34**	**–**	**–**	**–**
Other Deposits and Advances							
Unsecured, considered good		216.43	156.24	157.61	550.45	43.33	32.56
Unsecured, considered doubtful		124.33	124.36	124.33	–	–	–
		340.76	280.60	281.94	550.45	43.33	32.56
Less : Provision for doubtful advances		124.33	124.36	124.33	–	–	–
		216.43	**156.24**	**157.61**	**550.45**	**43.33**	**32.56**
Deposits with Bank having maturity of more than one year from the balance sheet date	13.1	390.38	68.65	73.90	–	–	–
Interest accrued on deposits		5.50	6.53	11.98	451.40	428.86	1,412.38
Interest accrued on Investments		–	–	–	–	–	910.91
Amount paid under protest		236.54	236.54	612.66	–	–	–
Others		–	–	–	17.31	5.19	7.86
		5,294.22	**3,518.86**	**3,669.49**	**1,019.16**	**477.38**	**2,363.71**

13.1 Represents deposits marked lien in favour of Govt. Authorities

14. OTHER ASSETS

Particulars	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Advances		1,907.34	697.02	1,277.29	–	–	–
Advances other than Capital Advances							
Advance against supply of Goods and Services		–	–	–	15,961.59	5,729.74	6017.43
Prepaid Expenses		667.44	221.10	196.88	484.60	218.88	321.29
Balances with Government & Statutory Authorities		179.39	47.75	52.34	7,315.28	4,501.62	3,847.55
Amount paid under protest		3,359.53	3,968.63	3,344.80	–	–	–
Incentive and Subsidy Receivable		2,666.85	143.65	143.65	43,217.75	14,938.37	12,025.61
Less : Provision		(143.65)	(143.65)	(143.65)	–	–	–
Security Deposits							
Unsecured Considered Good		188.43	216.15	242.78	40.64	40.64	40.64
Other Advances		1,319.85	520.89	140.69	95.21	1219.27	1,220.82
Less : Provision for Doubtful Advances		(52.03)	(52.03)	(52.03)	–	–	–
Total Other Assets		**10,093.15**	**5,619.51**	**5,202.75**	**67,115.07**	**26,648.52**	**23,473.34**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

15. INVENTORIES

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(As valued and certified by the Management)	1.C			
Raw Materials	15.1	7,610.96	6942.27	6,595.14
Work-In-Progress		13,543.48	11,534.48	11,122.27
Finished Goods	15.1	14,305.79	12,146.95	11,155.95
Stores and Spares etc.	15.1	27,557.46	26,116.85	26,380.88
		63,017.69	**56,740.55**	**55,254.24**
15.1 The above includes goods-in-transit as under:				
Raw Materials		-	835.64	579.48
Finished Goods		384.80	-	605.27
Stores and Spares etc.		534.23	154.50	136.55
		919.03	**990.14**	**1,321.30**

16. CURRENT INVESTMENTS

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
DEBT INSTRUMENTS AT AMORTISED COST								
Investments In Quoted Bonds								
8.70% Power Finance Corporation Ltd. 2015		10,00,000	–	–	–	–	500	4,999.95
8.15% IDFC Ltd. 2015		10,00,000	–	–	–	–	180	1,799.09
Sub Total				**–**		**–**		**6,799.04**
TOTAL (A)				**–**		**–**		**6,799.04**
INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME								
Investments In Quoted Bonds								
8.85% Canara Bank 2016		10,00,000	–	–	50	500.00	–	–
8.90% Konkan Railway Corporation Ltd. 2016		10,00,000	–	–	50	500.00	–	–
6.30% Indian Railway Finance Corporation Ltd. 2017		1,00,000	–	–	275	277.45	–	–
Sub Total				**–**		**1,277.45**		**–**
INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS								
Investments in Mutual Funds								
QUOTED								
ICICI Prudential FMP Series 70 372 Days Plan L Direct Plan Growth			–	–	60,99,999	760.49	–	–
Reliance Interval Fund Series 8-Direct Plan Growth			–	–	–	–	2,76,40,684	3,212.81
Religare Invesco Fmp-Series 23-Plan N (367 Days)-Direct Plan Growth			–	–	–	–	2,00,00,000	2,142.90
Reliance Fixed Horizon Fund XXII Series 21 Growth			–	–	–	–	1,67,89,651	2,109.72
IDFC Fixed Tem Plan Series 2 Growth			–	–	–	–	1,50,00,000	1,880.78
Reliance Fixed Horizon Fund XXII Series 26 Growth			–	–	–	–	1,50,00,000	1,873.23

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
ICICI Prudential FMP Series 74-370 Days Plan S Direct Plan			–	–	–	–	1,00,00,000	1,070.90
Reliance Fixed Horizon Fund XXII Series 34 Growth			–	–	–	–	62,50,000	763.11
Reliance Fixed Horizon Fund XXII Series 29 Growth			–	–	–	–	51,54,220	630.79
Reliance Fixed Horizon Fund-XXVI Series 25 -Direct Plan Growth			–	–	–	–	50,00,000	538.41
ICICI Prudential Fmp Series 74-367 Days Plan N			–	–	–	–	50,00,000	537.72
ICICIPrudential Fmp Series 74-369 Days Plan L			–	–	–	–	50,00,000	537.61
ICICI Fmp Series 78 - 95 Day Plan M Direct Plan Growth			–	–	1,00,00,000	1,009.01	–	–
ICICI Fmp Series 78 - 95 Day Plan K Direct Plan Growth			–	–	2,02,00,000	2,043.19	–	–
HDFC Fmp 92 D March 2016-Direct Growth			–	–	1,50,00,000	1,512.20	–	–
Sub Total				**–**		**5,324.89**		**15,297.98**
UNQUOTED								
IDFC Super Saver Income Fund Short Term Direct Plan Growth			59,88,862	2,055.29	2,22,95,626	7,031.15	1,05,48,418	3,061.30
L&T Short Term Opportunities Fund Direct Plan Growth			–	–	4,05,03,429	5,929.01	–	–
HDFC Short Term Opportunities Fund Direct Plan Growth			1,14,63,365	2,074.93	3,86,83,255	6,420.76	2,36,25,210	3,610.17
Religare Invesco Short Term Fund Direct Plan Growth			–	–	1,82,039	3,735.64	1,57,092	2,995.14
IDFC SSIF Medium Term Direct Plan Growth			–	–	1,21,40,242	3,148.20	–	–
HDFC Medium Term Opportunities Fund Direct Plan Growth			–	–	5,54,32,962	9,166.89	4,02,30,945	6,117.17
UTI Short Term Income Fund Institutional Option Direct Plan Growth			–	–	86,87,245	1,601.06	86,87,245	1,474.62
UTI Short Term Income Fund Institutional Option Growth			–	–	–	–	74,18,067	1,247.99
DHFL Premier Bond Fund Direct Plan Growth			–	–	51,32,759	1,273.16	51,32,759	1,181.49
Reliance Short Term Fund Direct Plan Growth			–	–	22,86,948	659.19	22,86,948	607.22
L&T Cash Fund Direct Plan Growth			77,152	1,010.60	1,18,237	1,449.03	77,151	874.29
JM Short Term Fund Direct Plan Growth			–	–	17,73,186	379.22	–	–
AXIS Short Term Fund Direct Plan Growth			–	–	1,95,65,466	3,283.50	1,95,65,336	3,011.24
SBI Dynamic Bond Fund Direct Plan Growth			–	–	67,88,925	1,256.07	67,88,958	1,182.49
SBI Short Term Debt Fund Direct Plan Growth			–	–	2,96,88,277	5,203.76	2,96,88,126	4,793.39
Kotak Treasury Advantage Fund Direct Growth			1,56,46,745	4,124.34	1,08,59,148	2,644.94	–	–
DSP Black Ultra Short Term Fund			2,76,76,000	3,295.58	–	–	–	–
HDFC Liquid Fund Direct Plan Growth			43,722	1,403.00	–	–	–	–
SBI Ultra Short Term Debt Fund - Direct Plan Growth			1,46,456	3,087.19	–	–	–	–
Tata Ultra Short Term Fund Direct Plan Growth			1,23,994	3,076.98	–	–	–	–
IDFC Ultra Short Term Fund Direct Plan Growth			1,11,53,370	2,582.32	1,21,61,815	2,592.56	–	–
L & T Ultra Short Term Fund Direct Plan - Growth			95,13,223	2,559.28	–	–	–	–
ICICI Prudential Flexible Income -Direct Plan -Growth			6,53,993	2,044.21	22,42,186	6,434.96	–	–
HDFC Cash Mgt Plan Treasury Advantage Direct Plan Growth			43,68,623	1,547.68	–	–	–	–
SBI Premier Liquid Fund Dir Plan Growth	16.1		43,406	1,107.86	21,027	500.65	–	–
Reliance Liquid Fund - Treasury Plan - Direct Growth			10,085	400.12	–	–	–	–
ICICI Prudential Money Market Fund Direct Plan Growth			1,87,464	421.83	–	–	–	–
Axis Liquid Fund-Direct Growth			22,189	400.11	–	–	–	–
Reliance Money Manager Fund - Direct Growth Plan - Growth Option			1,258	28.64	5,28,721	11,101.54	5,27,463	10,183.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Particulars	Refer Note No.	Face Value	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Qty	Amount	Qty	Amount	Qty	Amount
ICICI Ultra Short Term Plan Direct Growth			1,53,685	26.30	6,43,77,202	10,046.90	–	–
Reliance Medium Term Fund - Direct Plan Growth			46,76,548	1,622.28	2,72,04,916	8,633.37	1,38,61,193	4,036.52
SBI Ultra Short Term Fund Direct Plan Growth			–	–	2,89,847	5,657.40	–	–
HDFC Floating Rate Income Fund - Short Term Plan - Direct Plan Growth			–	–	2,14,10,889	5,588.28	1,73,05,746	4,150.75
L&T Ultra Short Term Fund Direct Plan Growth			–	–	1,72,72,862	4,286.21	–	–
Sundaram Ultra Short Term Fund Direct Plan Growth			–	–	1,80,37,673	3,784.16	–	–
IDFC Money Manager Fund Tp Direct Plan Growth			–	–	1,07,24,138	2,591.45	2,22,41,449	4,934.91
UTI Treasury Advantage Fund Direct Plan Growth			–	–	1,03,430	2,145.04	–	–
Reliance Banking & PSU Debt Fund - Direct Growth Plan			–	–	1,94,24,036	2,099.23	–	–
Reliance Liquid Fund Cash Plan Direct Plan Growth			–	–	80,627	1,971.78	–	–
IDFC Dynamic Bond Fund Direct Plan Growth			–	–	1,06,54,698	1,956.34	1,06,54,696	1,844.25
Taurus Liquid Fund Direct Plan Growth			–	–	1,13,605	1,865.89	–	–
India bulls liquid fund direct plan growth			–	–	81,393	1,202.23	–	–
L&T Ultrashort Term Fund Direct Plan Bonus Plan			–	–	86,47,717	1,170.50	47,16,937	1,075.79
Axis Banking Debt Fund Direct Plan Growth			–	–	72,475	1,010.60	2,40,404	3,086.37
Kotak Liquid Fund Plan A Direct Plan Growth			–	–	32,565	1,001.07	44,300	1,258.02
Sundaram Money Fund Direct Plan Growth			–	–	31,32,685	1,001.07	–	–
Religare Invesco Bank Debt Fund - Direct Plan Growth			–	–	38,556	502.46	–	–
L&T Liquid Fund Direct Plan Growth			28,931	645.15	24,084	500.44	18,158	348.39
ICICI Money Market Fund Direct Plan Growth			–	–	–	–	33,72,121	6,524.63
IDFC Cash Fund Growth Direct Plan			–	–	–	–	72,394	1,231.11
Reliance Liquid Fund TP Direct Plan Growth			–	–	–	–	43,995	1,500.80
Religare Invesco Liquid Fund Direct Plan Growth			–	–	–	–	1,56,451	3,011.67
Axis Treasury Advantage Fund Direct Growth			–	–	–	–	60,795	952.04
HDFC Banking & PSU Debt Fund Direct Plan Growth			–	–	–	–	6,36,29,878	7,022.06
Reliance Money Manager Fund-Retail Option-Growth Plan			476	10.34	617	12.45	617	11.54
Reliance Liquid Fund - Treasury Plan-Growth Plan			161	6.00	–	–	–	–
Sub Total				**33,530.03**		**1,30,838.16**		**81,328.47**
TOTAL (B)				**33,530.03**		**1,37,440.50**		**96,626.45**
TOTAL CURRENT INVESTMENTS				**33,530.03**		**1,37,440.50**		**1,03,425.49**
Aggregate Book Value of Quoted Investments				**–**		**6,602.34**		**22,097.02**
Aggregate Fair Value of Quoted Investments				**–**		**6,602.34**		**22,097.98**
Aggregate amount of Unquoted Investments				**33,530.03**		**1,30,838.16**		**81,328.47**
Aggregate amount of Impairment in value of Investments								

16.1 Out of the same 23810.690 units are held as margin in favour of State Bank of India against Bank Guarantee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

17. CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Balances With Banks :				
In Current/Cash Credit Account		3,849.41	2,545.34	2,465.90
In Deposit Accounts with Original Maturity of less than three months		2,665.00	5623.45	1,477.71
Cheques/drafts on Hand		2297.47	2510.07	3146.78
Cash in Hand		18.27	17.86	22.08
		8,830.15	**10,696.72**	**7,112.47**

18. BANK BALANCES (OTHER THAN NOTE : 17)

Balance in Unpaid Dividend Account		134.46	140.10	129.92
Earmarked balances with Banks-Fixed Deposit		-	1800.00	-
Balances with Bank held as margin money/ security		278.10	280.60	257.37
Other Fixed Deposit with Banks	18.1	22004.28	23420.43	39302.10
		22,416.84	**25,641.13**	**39,689.39**

18.1 Includes deposits marked lien in favour of Govt. Authorities		12.66	8.27	7.76

19. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	128.12	128.24	128.24
		128.12	**128.24**	**128.24**

19.1 Suspension of Operations was declared of the Parent Company's Unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f 29.10.2001. Subsequently, closure of the Unit was declared w.e.f 31.01.2005. However, Plant & Machinery could not be disposed off due to absence of any Buyer to purchase the same in view of lot of technological developments taken place after commissioning of the Plant. A resolution was passed by Board of Directors of the Company on 4th November 2015 for disposal of assets of the Unit. Currently, there are several interested buyers and it is expected that sale will be completed by December, 2017. The assets of the Unit comprising 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 58. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

20. EQUITY SHARE CAPITAL

	Particulars	Refer Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			No. of Shares	Amount	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	9000.00	9,00,00,000	9000.00
	Preference Shares of `100/- each		10,00,000	1,000.00	10,00,000	1000.00	10,00,000	1000.00
			9,10,00,000	**10,000.00**	**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**	**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	7,70,05,347	7,700.53
	Add: Forfeited Ordinary Shares (Amount originally paid-up)			0.36		0.36		0.36
			7,70,05,347	**7,700.89**	**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 with 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**

	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. of Shares	% Holding	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	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	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	45,20,572	5.87
Life Insurance Corporation of India	27,08,172	3.52	38,05,519	4.94	39,48,117	5.13

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 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 Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Company during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

21. OTHER EQUITY

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Reserve	21.1	**12,800.13**	**318.97**	**318.97**
Debenture Redemption Reserve	21.2	6,157.64	7,575.00	6,575.00
General Reserve	21.3	2,53,040.22	2,35,040.22	2,27,940.22
Foreign Currency Monetary Item Translation Difference Account	21.4	(633.67)	(2,181.20)	(1,238.19)
Retained Earnings	21.5	36,919.72	37,116.91	34,005.37
Other Comprehensive Income	21.6	14,513.92	6,961.07	8,400.35
		3,22,797.96	**2,84,830.97**	**2,76,001.72**

Particulars	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016
21.1 **Capital Reserve**			
Surplus on Amalgamation			
Balance at the beginning and at the end of the year		105.65	105.65
Balance at the end of the year		**105.65**	**105.65**
On Consolidation			
Balance at the beginning of the year		213.32	213.32
Add: Arising out of Business Combination		12,481.16	-
		12,694.48	**213.32**
		12,800.13	**318.97**
21.2 **Debenture Redemption Reserve**			
Balance at the beginning of the year		7,575.00	6,575.00
Add: Transferred from Retained Earnings		1,582.64	1,000.00
Less: Transferred to General Reserve on redemption of Debentures		3,000.00	-
Balance at the end of the year		**6,157.64**	**7,575.00**
21.3 **General Reserve**			
Balance at the beginning of the year		2,35,040.22	2,27,940.22
Add : Transferred from Retained Earnings		15,000.00	-
Add : Transferred from Debenture Redemption Reserve		3,000.00	7,100.00
Balance at the end of the year		**2,53,040.22**	**2,35,040.22**
21.4 **Foreign Currency Monetary Item Translation Difference Account**			
Balance at the beginning of the year		(2,181.20)	(1,238.19)
Add: Exchange Gain/(Loss) during the year		(54.88)	(1,889.37)
Less: Amortization during the year	38.2	1,602.41	946.36
Balance at the end of the year		**(633.67)**	**(2,181.20)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016
21.5 **Retained Earnings**			
Balance at the beginning of the year		37,116.91	34,005.37
Add : Profit for the Year		21,946.36	16,772.45
		59,063.27	50,777.82
Less : Appropriation			
Debenture Redemption Reserve		1,582.64	1,000.00
Final Dividend		4,620.32	4,620.32
Corporate Dividend Tax on Final Dividend		940.59	940.59
General Reserve		15,000.00	7,100.00
		22,143.55	**13,660.91**
Balance at the end of the year		**36,919.72**	**37,116.91**

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016
21.6 **Other Comprehensive Income**			
a. Equity instrument through Other Comprehensive Income			
Balance at the beginning of the year		7,146.99	8,400.35
Add/(Less): Change in Fair Value		10,269.45	(1,916.69)
Add/(Less): Tax on above		(2,191.66)	663.33
Balance at the end of the year		**15,224.78**	**7,146.99**
b. Remeasurement of Defined Benefit Plans			
Balance at the beginning of the year		(99.39)	-
Add/(Less): Actuarial Gain/(Loss) based on the valuation		(779.65)	(152.11)
Add/(Less): Tax on above		180.99	52.72
Balance at the end of the year		**(698.05)**	**(99.39)**
c. Debt instrument through Other Comprehensive Income			
Balance at the beginning of the year		(86.53)	-
Add/(Less): Change in Fair Value		68.15	(132.32)
Add/(Less): Reclassification of debt instruments from OCI to Statement of Profit & Loss		43.89	
Add/(Less): Tax on above		(38.32)	45.79
Balance at the end of the year		(12.81)	(86.53)
Total Other Comprehensive Income		**14,513.92**	**6,961.07**
Total Reserve & Surplus		**3,22,797.96**	**2,84,830.97**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

22. LONG TERM BORROWINGS

		Refer Note No.	Non-Current Portion			Current Maturities		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
22.1	**Non-Convertible Debentures (NCD)**	**18.6**						
	(Face Value of ` 10,00,000/- each)							
	Non-Convertible Debentures (NCD)							
	2500 (Previous Year -31st March 2016 - Nil, 1st April 2015- Nil) 9.25% NCD 2026		25000.00					
	1500 (Previous Year -31st March 2016 - Nil, 1st April 2015- Nil) 9.15% NCD 2021		15000.00					
	1300 (Previous Year -31st March 2016 - 1300, 1st April 2015- 1300) 9.05% NCD 2020		13000.00	13000.00	13000.00			
	1500 (Previous Year -31st March 2016 - 1500, 1st April 2015- 1500) 9.10% NCD 2020		15000.00	15000.00	15000.00			
	Nil (Previous Year -31st March 2016 - 1200, 1st April 2015- 1200) 8.80% NCD 2017				12000.00		12,000.00	
			68,000.00	**28,000.00**	**40,000.00**	**-**	**12,000.00**	**-**

		Refer Note No.	Non-Current Portion			Current Maturities		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
22.2	**Term Loans**							
	From Banks :							
	Rupee Loans	18.7	2,25,000.17	400.00	400.00	3,891.81	-	-
	Foreign Currency Loans	18.8	1,11,895.04	50,556.32	68,924.54	14,555.05	22,879.75	5,956.88
			3,36,895.21	50,956.32	69,324.54	18,446.86	22,879.75	5,956.88
22.3	Finance lease obligations	18.9	12.33	12.36	12.25	0.94	0.94	0.94
	Total		4,04,907.54	78,968.68	1,09,336.79	18,447.80	34,880.69	5,957.82
	Amount disclosed under the head "Other Financial Liability"		-	-	-	(18,447.80)	(34,880.69)	(5,957.82)
			4,04,907.54	**78,968.68**	**1,09,336.79**	**-**	**-**	**-**
	Break Up of Security Details							
	Secured		3,93,283.58	78,956.32	1,09,324.54	16,511.59	34,879.75	5,956.88
	Unsecured		11,623.96	12.36	12.25	1,936.21	0.94	0.94
	Total		**4,04,907.54**	**78,968.68**	**1,09,336.79**	**18,447.80**	**34,880.69**	**5,957.82**

22.4 **Terms and Conditions of Long Term Borrowings :**

		Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	**Non–Convertible Debentures**				
	i) 9.25% NCD 2026	22.4(d)(i)	25,000.00	–	–
	ii) 9.15% NCD 2021	22.4(d)(ii)	15,000.00	–	–
	iii) 9.05% NCD 2020	22.4(d)(iii)	13,000.00	13,000.00	13,000.00
	iv) 9.10% NCD 2020	22.4(d)(iv)	15,000.00	15,000.00	15,000.00
(b)	**Rupee Term Loan - From Banks - in Indian Rupees**	22.4(e)	230672.34		
(c)	**Foreign Currency Loan - From Banks - in Foreign Currency**	22.4(f)	127861.36	73,970.11	75,735.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

(d) Non-Convertible Debentures are redeemable fully at par as under :

i) ` 25000.00, 9.25% NCD 2026 includes `6000.00 repayable August, 2024, ` 1500.00 repayable in September, 2024, ` 6000.00 repayable August, 2025, ` 1500.00 repayable in September, 2025, ` 8000.00 repayable August, 2026, ` 2000.00 repayable in September, 2026.

ii) 9.15% NCD 2021 repayable on August,2021.

iii) 9.05% NCD 2020 repayable on October,2020..

iv) 9.10% NCD 2020 repayable on March, 2020 .

The Debentures are secured by first charge on the movable and immovable Property, Plant and Equipment and certain Intangible Assets of the Company's Cement Division, ranking pari-passu with other term lenders except Rupee Term Lenders.

(e) Rupee Loan from Bank :

Term Loan ` 2,30,672.34, (Rate of Interest MCLR / BASE Rate Plus spread of 0.05% to 1.10% p.a)

i) ` 60000.00 are repayable as under :

` 1508.40 payable in 6 equal installments from November/December 2018 to February/March 2020

` 3000.00 payable in 2 equal installments from May/June 2020 to August/September 2020

` 3502.80 payable in 2 equal installments from November/December 2020 to February/March 2021

` 3997.20 payable in 2 equal installments from May/June 2021 to August/September 2021

` 18000.00 payable in 8 equal installments from November/December 2021 to August/September 2023

` 14996.40 payable in 6 equal installments from November/December 2023 to February/March 2025

` 12507.00 payable in 5 equal installments from May/June 2025 to May/June 2026

` 2488.20 payable in August/September 2026

Rupee Term Loans are secured by first charge on movable and immovable Property, Plant and Equipment and certain Intangible Assets of the Company's Jute Division and land situated at Birlapur and Narkledanga, ranking pari-passu with Rupee Term Lenders.

ii) ` 1,70,672.33 are repayable as under :

` 972.95 payable in 8 equal installments from June 2017 to March 2019

` 1945.90 payable in 8 equal installments from June 2019 to March 2021

` 3113.45 payable in 4 equal installments from June 2021 to March 2022

` 3891.80 payable in 4 equal installments from June 2022 to March 2023

` 4280.99 payable in 8 equal installments of each from June 2023 to March 2025

` 4670.17 payable in 15 installments from June 2025 to December 2028

` 15000.00 payable in installment 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 certain Intangible Assets pertaining to projects at 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 Maihar and Kundanganj projects ranking pari passu with other lender bank (s).

(f) Foreign Currency Loans from Banks are repayable as under:-

Term Loan ` 127861.36 (Rate of Interest LIBOR 1M/3M/6M Plus spread of 150 bps to 500 bps)

i) ` 4608.52 repayable in remaining seven semi-annual instalments.

The above loan is secured by first charge on the movable and immovable Property, Plant and Equipment and certain Intangible Assets of the Company's Cement Units at Chanderia (Rajasthan), ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

ii) ` 25478.75 includes ` 5790.63 repayable in September, 2017, ` 8106.87 repayable in September, 2018 and ` 11581.25 repayable in September, 2019.

iii) ` 10191.50 includes ` 2316.25 repayable in September, 2017, ` 3242.75 repayable in September, 2018 and ` 4632.50 repayable in September, 2019.

iv) ` 25942.00 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 certain Intangible Assets of the Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders except Rupee Term Lenders.

v) ` 11117.14 repayable in remaining twenty equal quartely installments from June, 2017 to March, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

The above loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and certain Intangible Assets pertaining to projects at 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 project ranking pari passu with other lender banks (s).

vi) ` 29000.00 are repayable as under

` 101.50 repayable in 2 equal installment from November 2019 to February 2020

` 203.00 repayable in 2 equal installment of from May 2020 to August 2020

` 406.00 repayable in 2 equal installment from November 2020 to February 2021

` 609.00 repayable in 4 equal installment from May 2021 to February 2022

` 812.00 repayable in 6 equal installment from May 2022 to August 2023

` 1000.50 repayable in 2 equal installment from Nov 2023 to August 2024

` 1015.00 repayable in 18 equal installment from May 2024 to August 2028

The above Foreign Currency Term Loan of ` 287,42.27 will be converted into Rupee Term Loan of ` 290,00.00 on 21st August 2017 is secured by way of subservient charge on all present and future movable and immovable Property, Plant and Equipment and certain Intangible Assets of the Company except assets relating to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh projects.

vii) ` 7976.55 are repable as under

` 243.19 repayable in 4 equal installments from June 2017 to March 2018

` 316.14 repayable in 2 equal installments from June 2018 to September 2018

` 389.10 repayable in 2 equal installments from December 2018 to March 2019

` 656.60 repayable in 2 equal installment of from June 2019 to September 2019

` 826.84 repayable in 2 equal installment of from December 2019 to March 2020

` 875.47 repayable in 3 equal installments from June 2020 to December 2020

The above loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and certain Intangible Assets pertaining to projects at 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 projects ranking pari passu with other lender banks (s).

viii) ` 13546.90 repayable in remaining fourteen semi annual installments from September, 2017 to March, 2024.

22.5 **Finance Lease Obligation**

The company has entered into various 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 Company for these lessors.

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.

	31st March 2017		31st March 2016		1st April 2015	
	Minimum lease payments	**Present value of MLP**	**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	1.08	0.94
After one year but not more than five years	5.28	3.77	5.28	3.77	5.28	3.77
More than five years	44.46	8.56	45.54	8.59	46.62	8.48
Total minimum lease payments	50.82	13.27	51.90	13.30	52.98	13.19
Less: Amounts representing finance charges	37.55	–	38.60	–	39.79	–
Present value of minimum lease payments	13.27	13.27	13.30	13.30	13.19	13.19

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

23. OTHER FINANCIAL LIABILITIES

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	1st April 2015	As at 31st March, 2017	As at 31st March, 2016	1st April 2015
Current maturities of Long Term Debt	22	–	–	–	18,446.86	34,879.75	5,956.88
Current maturities of Finance Lease Obligations	22	–	–	–	0.94	0.94	0.94
Trade & Security Deposits (Unsecured)		22032.22	18483.64	15773.62	8,800.12	4.70	15.65
Interest accrued but not due on Borrowings		–			3,546.88	791.68	776.06
Unpaid and unclaimed dividends		–	–	–	134.46	140.10	129.92
Employees related Liabilities		–	–	–	2,620.64	1,382.30	701.77
Amount payable for Capital Goods		–	–	–	4,236.11	1,670.02	2,476.67
Liability under Litigation		2723.63	2627.51	2518.41	–	–	–
Less : Paid under protest		(1,875.31)	(1,775.95)	(1,668.30)	–	–	–
Other Payables (include rebates and discounts)		–	–	–	31,405.34	8,560.12	6,947.41
		22,880.54	**19,335.20**	**16,623.73**	**69,191.35**	**47,429.61**	**17,005.30**

24. PROVISIONS

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	1st April 2015	As at 31st March, 2017	As at 31st March, 2016	1st April 2015
Provision for Employee Benefits		3388.79	2507.72	2325.22	1254.93	1332.32	1809.17
Provision for Mines Restoration		366.38	–	–	500.58	506.17	506.17
		3,755.17	**2,507.72**	**2,325.22**	**1,755.51**	**1,838.49**	**2,315.34**

Movement of Provision :

Particulars	Provision for Mines Restoration	
	Non Current	Current
Balance as at 1st April, 2015	**–**	**506.17**
Balance as at 31st March, 2016	**–**	**506.17**
Provision made during the year	**366.38**	–
Provision utilized during the year	–	5.59
Balance as at 31st March, 2017	**366.38**	**500.58**

25. DEFERRED TAX LIABILITIES (NET)

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Liabilities				
Arising on account of :				
Depreciation and Amortization		112262.63	35128.87	32397.58
Mark to Market Gain / (Loss) on Investment		5600.88	4282.49	4679.95
Others		387.39	333.91	338.58
		1,18,250.90	39,745.27	37,416.11
Less: Deferred Tax Assets				
Arising on account of :				
Mat Credit Entitlement		17,159.46	13173.98	9189.57
Items under Section 43B of Income-tax Act,1961		7671.77	6411.87	6951.90
Unused Tax Credits		35,642.04		
Others		1330.11	1862.22	1560.88
		61,803.38	21,448.07	17,702.35
Deferred Tax Liabilities (Net)		**56,447.52**	**18,297.20**	**19,713.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2016 and 31st March, 2017

	As at 1st April, 2015	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2016
Deferred Income tax liabilities				
Depreciation and Amortization	32,397.58	2,731.29	–	35,128.87
Mark to Market Gain / (Loss) on Investment	4,679.95	311.66	(709.12)	4,282.49
Others	338.58	(4.67)	–	333.91
	37,416.11	**3,038.28**	**(709.12)**	**39,745.27**
Deferred Income tax assets				
Items u/s 43B of the Income Tax Act, 1961	6,951.90	(540.03)		6,411.87
MAT credit entitlement	9,189.57	3,984.41	–	13,173.98
Others	1,560.88	301.34	–	1,862.22
	17,702.35	**3,745.72**	**–**	**21,448.07**

	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 Amortization	35,128.87	75,653.74	1480.02	–	1,12,262.63
Mark to Market Gain / (Loss) on Investment	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					
Unused Tax Credits	–	34,834.40	807.64		35,642.04
Items u/s 43B of the Income Tax Act, 1961	6,411.87	914.06	345.84	–	7,671.77
MAT credit entitlement	13,173.98	–	3,985.48	–	17,159.46
Others	1,862.22	146.89	(679.00)		1,330.11
	21,448.07	**35,895.35**	**4,459.96**	**–**	**61,803.38**

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 recognised deferred tax assets of ` 21.17 (previous year - as on 31st March, 2016 ` 656.43, as on 1st April, 2015 ` 656.43) on long term capital losses and unused tax credits of ` 4687.73 (previous year - as on 31st March, 2016 ` 4687.73, as on 1st April, 2015 ` 4687.73) on account of prudence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

26. OTHER LIABILITIES

	Refer Note No.	Non Current			Current		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Liabilities under Litigation		38053.29	38027.86	36450.25			
Less : Paid under protest		19470.24	21670.70	18244.73			
		18,583.05	16,357.16	18,205.52	-	-	-
Advance received from Customers					12,053.12	6,483.02	6,120.52
Statutory Dues					7,160.35	5,373.15	2,956.80
Bonus Liability					1,044.78	1,046.73	223.39
Deferred Revenue	26.1	106.16	137.06	178.77	30.90	41.71	47.20
Others		489.25	489.26	489.34	0.28	0.51	0.36
		19178.46	**16983.48**	**18873.63**	**20,289.43**	**12,945.12**	**9,348.27**

26.1 **Movement of Deferred Revenue**

Particulars	2016-17	2015-16
Opening Balance	178.77	225.97
Less: Released to the Statement of Profit & Loss	41.71	47.20
Less: Current portion of the Deferred Revenue Income	30.90	41.71
Closing Balance	**106.16**	**137.06**

27. SHORT TERM BORROWINGS

	Refer Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans Repayable on Demand				
From Banks				
Rupee Loans		1385.24	1721.24	1770.36
Other Loans				
From Banks				
Buyers' Credit and Packing Credit in Foreign Currency		-	3826.94	5,812.19
Packing Credit in Indian Currency		753.34	1227.60	-
From Others				-
Collateralised Borrowing and Lending Obligation		-	7500.00	6500.00
		2,138.58	**14,275.78**	**14,082.55**
The above amount includes				
Secured Borrowings	27.1 & 27.2	1385.24	9221.24	9065.92
Unsecured Borrowings		753.34	5054.54	5016.63
		2,138.58	**14,275.78**	**14,082.55**

27.1 Working Capital Loans of ` 1385.24 ( Previous year 31st March,.2016 ` 1721.24 and 1st April.2015 ` 1770.36) from banks are secured by hypothecation of Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future, and further by way of second charge on movable and immovable Property, Plant and Equipment and certain Intangible Assets of the Company's Cement Divison. of the Company's Cement Divison.

27.2 Collateralised Borrowing and Lending Obligation is secured by deposit of certain Government Securities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

28. TRADE PAYABLES

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Payables for goods and services			
Total outstanding dues of creditors to micro enterprises and small enterprises	130.52	66.27	-
Total outstanding dues of creditors to other than micro enterprises and small enterprises	36,655.76	16,205.71	16,048.88
	36,786.28	**16,271.98**	**16,048.88**

29. CURRENT TAX LIABILITIES (NET)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for Taxation (Net of Payments)	1,185.88	744.46	
	1,185.88	**744.46**	**-**

30. REVENUE FROM OPERATIONS

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Sale of Products (including Excise Duty)	4,81,836.94	3,69,828.02
Own Consumption	1092.72	1309.28
	4,82,929.66	**3,71,137.30**
Other Operating Revenues		
Incentives & Subsidies	14,086.68	4,175.76
Export Benefits	403.01	299.02
Insurance and Other Claims (Net)	149.26	100.41
Miscellaneous Sale	553.36	446.63
	15,192.31	**5,021.82**
	4,98,121.97	**3,76,159.12**

31. OTHER INCOME

Interest Income		
On Investments	701.42	1,782.86
On Banks Deposits	2,094.75	2,969.54
On Other Deposits, etc.	155.31	140.81
Dividend Income	155.06	110.38
Net Gain/ (Loss) on sale of Investments measured at fair value through P/L	7,449.74	4,320.19
Net Gain/ (Loss) on OCI Items Reclassified to Statement of Profit & Loss	(43.89)	–
Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through P/L	1,020.95	6,502.80
Other Non Operating Income		
Profit on sale/discard of Property, Plant and Equipment (Net)	11.13	3.32
Excess Liabilities and Unclaimed Balances written back	2,088.94	1,410.21
Excess Provision written back	–	28.20
Net Gain or Loss on Foreign Currency Transalation	421.20	–
Excess Depreciation written back	48.63	138.55
Insurance and Other Claims (Net)	131.44	100.93
Miscellaneous Income	419.07	231.12
	14,653.75	**17,738.91**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

32. COST OF MATERIALS CONSUMED

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw Material Consumed	29.1	66,455.32	61,699.27
		66,455.32	**61,699.27**

33. PURCHASE OF STOCK IN TRADE

Traded Goods - Jute Goods		–	88.91
		–	**88.91**

34. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year	34.1		
Finished Goods		15,023.65	11,155.95
Work-In-Progress		14,269.08	11,122.27
		29,292.73	22,278.22
Inventories at the end of the year			
Finished Goods		14,305.79	12,146.95
Work-In-Progress		13,543.48	11,534.48
		27,849.27	23,681.43
		1,443.46	**(1,403.21)**

34.1 Including inventories accquired during the year through Business Combination :
Finished Goods - ` 2,876.70
Work-in-progress - ` 2,734.60

35. EMPLOYEE BENEFITS EXPENSE

Salaries & Wages		26,606.57	20,964.45
Contribution to Provident and Other Funds		3,021.01	2,611.20
Staff Welfare Expenses		1,001.40	819.14
		30,628.98	24,394.79
Less : Amount Capitalised		3.46	20.14
		30,625.52	**24,374.65**

36. FINANCE COST

Interest Expenses			
To Debenture Holders		5682.61	3,603.62
" Banks on Term Loans, etc.		19,695.01	2,138.17
" Banks On Working Capital Loans		582.18	906.82
On Deposits and Others		1,844.16	1,225.22
Exchange Differences regarded as an adjustment to Borrowing Costs		200.59	400.30
Other Borrowing Costs			
Other Financial Charges		812.07	209.85
		28,816.62	8,483.98
Less : Amount Capitalised		1,138.08	257.89
		27,678.54	**8,226.09**

36.1 The capitalisation rate for the general borrowing is 8.62% p.a (previous year 8.36% p.a.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

37. DEPRECIATION AND AMORTIZATION EXPENSES

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
On Tangible Assets		24086.76	14728.99
On Intangible Assets		1500.62	147.05
On Investment Property		0.50	0.25
		25,587.88	**14,876.29**
Less: Transferred to Capital Work-in- Progress		37.57	-
		25,550.31	**14,876.29**

38. OTHER EXPENSES

Manufacturing Expenses			
Stores, Spare Parts & Packing Materials Consumed		34,602.79	26,134.71
Power & Fuel		96,843.34	77,493.70
Royalty & Cess		8,731.26	6,819.87
Repairs to Buildings		1,733.30	1,827.23
Repairs to Machinery		5,192.42	4,019.72
Freight & Material Handling on Inter Unit Transfer		18,383.39	1,5177.85
Increase/(Decrease) in Excise Duty & Cess on Finished Goods		(188.94)	243.84
Other Manufacturing Expenses		4,324.10	3,597.78
		1,69,621.66	**1,35,314.70**
Selling and Administration Expenses			
Brokerage & Commission on Sales		2,796.49	1,898.83
Transport & Forwarding Expenses		80,430.98	63,135.77
Insurance		466.99	329.88
Rent		1,896.35	1,245.21
Repairs to Other Assets		1,383.61	313.54
Rates & Taxes		1,445.50	709.32
Development Cess on Cement		21.20	61.00
Advertisement		2,897.78	2,088.30
Charity & Donation		51.25	7.00
Corporate Social Responsibility Expenses	50	383.91	434.94
Auditors' Remuneration	38.1	103.65	76.13
Loss on Revaluation of Live Stock		3.74	6.67
Loss on sale/discard of Property, Plant and Equipment (Net)		63.29	-
Net (Gain)/Loss on Foreign currency transaction and translation	38.2	1,627.87	1,256.31
Net Provision for doubtful debts/advances		100.44	-
Directors' Fees		85.10	87.75
Other Expenses		10,575.77	6,482.55
		1,04,333.92	**78,133.20**
		2,73,955.58	**2,13,447.90**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

38.1 **Auditors' Remuneration**

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
a. Statutory Auditors			
Audit Fees		35.19	27.87
Tax Audit Fees		6.55	6.55
Limited Review		15.31	15.31
Travelling Expenses		3.83	3.71
Issue of Certificates		38.67	19.06
		99.55	**72.50**
b. Cost Auditors			
Audit Fees		3.92	3.00
Travelling Expenses		0.18	0.63
		4.10	**3.63**
		103.65	**76.13**

38.2 **Foreign Currency Transaction and Translation**

Net (Gain)/Loss on foreign currency transaction and translation		13.53	2,958.33
Less : Amount Capitalised/(Decapitalised)		(11.93)	(2,648.38)
Add : Amortisation of Foreign Currency Monetary Item Translation Difference Account		1,602.41	946.36
		1,627.87	**1,256.31**

39. EXCEPTIONAL ITEM

On account of demand for cost of Fly Ash	39.1	682.14	–
On account of Electricity Charges	39.2	–	982.37
On account of revision of Wage of Workers at Cement units	39.3	–	624.90
On account of Statutory Levy for earlier periods and contribution to DMF	39.4	–	2,795.33
On account of additional Bonus for FY '2014-15	39.5	–	577.26
		682.14	**4,979.86**
On account of Reversal of Entry Tax Liability	39.6	–	(1,830.38)
		682.14	**3,149.48**

39.1 Towards provision made against demand received from Kota Thermal Power Station, Kota for Flyash lifted from 30.06.2012 to 09.02.2017 in terms of order dated 19.01.2017 issued by Hon'ble Supreme Court.

39.2 Additional liability towards electricity expenses for the year 2013-14 & 2014-15 for increased tariff by West Bengal Electricity Regulatory Commission in respect of Durgapur Units.

39.3 Towards revised wages for the year 2014-15 at Cement Divisions of the company in pursuance of settlemnt entered by the company with Cement Wage Board.

39.4 Statutory levy for earlier periods relating to excise duty and contribution to District Mineral Foundation under M.M.D.R. Act, 2015, based on order received.

39.5 Additional Bonus Liability related to the year 2014-15 in view of amendment in The Payment of Bonus Act, 1965.

39.6 Liability towards Entry Tax on Lime Stone transportation written back in view of assessment order received.

40. TAX EXPENSE

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax for the year	40.1	5,279.33	4,045.77
Less : MAT Credit Entitlement		3,985.48	3,984.41
		1,293.85	60.92
Current Tax		(211.47)	3,276.53
Deferred Tax		**1,082.38**	**3,337.89**
Income Tax for earlier years		**–**	**15.72**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

40.1 **Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income**

	Refer Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Income before Income taxes		23,029.53	20,095.24
Indian Statutory Income tax Rate*		34.608%	34.608%
Estimated Income tax expenses		7,970.06	6,954.57
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense:			
Income tax adjusted with brought forward loss		(257.74)	–
Exempt Income		(6,350.17)	(2,632.85)
Tax Payable at different Rate		712.30	(1,803.29)
Effect of Tax Allowance		–	(646.50)
Deferred Tax/Mat Credit Entitlement		(1,976.17)	1,316.72
Others		984.10	133.52
DeferredTax not recognised on assets (refer foot note (ii) below)		(6,887.68)	(3,632.40)
Income Tax expense in the Statement of Profit and Loss		**1,082.38**	**3,322.17**

*Applicable Indian Statutory Income Tax rate for Fiscal 2017 & 2016 is 34.608%. However, Company is required to pay tax u/s 115JB of Income Tax Act 1961

41. OTHER COMPREHENSIVE INCOME

41.1 **Items that will not be reclassified to profit or loss**

Remeasurement of the defined benefit plans		(779.65)	(152.11)
Less: Tax expense on the above		180.99	52.72
		(598.66)	**(99.39)**
Equity Instruments through Other Comprehensive Income		10,269.45	(1,916.69)
Less: Tax expense on the above		(2,191.66)	663.33
		8,077.79	**(1,253.36)**

41.2 **Items that will be reclassified to profit or loss**

Debt Instruments through Other Comprehensive Income		68.15	(132.32)
Less: Reclassified to Profit & Loss		(43.89)	
		112.04	(132.32)
Less: Tax expense on the above		(38.32)	45.79
		73.72	(86.53)
		7,552.85	**(1,439.28)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

42. CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Sl. No.		Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
42.1		**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 Hon'ble High Court, Chandigarh.	161.07	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	147.16	147.16
	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 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	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	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 Hon'ble High Court, Rajasthan against CESTAT Order dated 23.12.2015.	138.36	–	138.36
	f.	Stamp Duty for registration/execution of deed of certain Limestone Mining Lease. The matter is pending before the Hon'ble Supreme Court.	1,840.67	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. 23.03.2007. The matter is pending before the Hon'ble High Court, Rajasthan.	1,726.67	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 Hon'ble M.P.High Court, Jabalpur.	1,160.00	1,160.00	1,160.00
	i.	Demand under Income Tax Act, 1961 for Assessment Year 2011-12, 2012-13 & 2013-14, the matter is pending before Commissioner of Income Tax (Appeals).	2,712.24	2,632.09	2,632.09
	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	–	–
	k.	Demand for Entry Tax and Interest there on under U.P. VAT Act. Case is pending before Hon'ble Supreme Court.	3,967.65	3,787.96	3,349.99
	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 Hon'ble High Court, Rajasthan.	251.73	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 Hon'ble Punjab & Haryana High Court.	112.31	–	–
	n.	Demand for Education cess by the Municipal Corporation, Satna. Appeal filed and pending before Hon'ble M.P. High Court, Jabalpur.	185.34	118.29	118.29
	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. Matter is pending before Kolkata High Court.	1,177.52	708.56	708.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
p	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	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	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 case is pending with the CESTAT.	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 stay has been granted in the matter.	365.13	–	–
t	Demand of Excise duty on subsidy granted under Rajasthan Investment Promotion Scheme, 2010 to the extent utilized towards sale tax payment. Appeal has been filed and the matter is pending with commissioner (Appeals), Central Excise, Jaipur.	181.85	–	
u	Demand for excise duty under Central Excise Act,1985 leviable on branded Hessian Bags and Sacking Bags for the period from 01/03/2011 to 28/02/2013.	904.49	–	–
v	Demand for Transportation and Cargo Handling Expenses for the month December, 2015 by a party as per their books of accounts.	42.92	–	–

42.2 Other Claims/Disputes/Demands (being less than ` 100.00) 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 - `53.44, `336.12, `72.06, `4.91, `0.56, `59.49, `82.96, `52.75, `170.03 (Previous Year - 31st March, 2016 `44.58, `621.91, `72.06, `4.91, `0.56, `59.49, `82.96, `24.56 and `206.08 (Previous Year - 1st April, 2015 - `111.83, `1105.92, `72.06, `4.91, `0.56, `59.49, `82.96, `24.56 and `209.07) respectively.

42.3 Disputed amount of `68.61[Paid under protest `68.61] (Previous Year – 31st March, 2016 - `68.61 [Paid under protest `68.61]) (Previous Year - 1st April, 2015 `68.61 [Paid under protest `68.61]) in respect of difference of Fuel Cost Adjustment Charges, `463.60 [Paid under protest `19.77] (Previous Year – 31st March, 2016 ` 463.60 [Paid under protest `19.77]) (Previous Year - 1st April, 2015 `463.60 [Paid under protest `19.77]) in respect of demand of Water Supply Charges, `355.19 [Paid under protest `137.39] (Previous Year – 31st March, 2016 `355.19 [Paid under protest `137.39]) (Previous Year - 1st April, 2015 `355.19 [Paid under protest `137.39]) in respect of Surcharge on Electricity, `1965.30 [Paid under protest `414.28] (Previous Year - 31st March, 2016 `1804.76 [Paid under protest `377.50]) (Previous Year - 1st April, 2015 `1804.76 [Paid under protest `376.00]) in respect of MODVAT/ CENVAT claims, `3283.03 [Paid under protest `1707.32] (Previous Year - 31st March, 2016 `4841.98 [Paid under protest `2405.17]) (Previous Year - 1st April, 2015 `4516.13 [Paid under protest `2065.36]) in respect of Sales Tax/VAT, `358.35 [paid under protest `24.62] (Previous Year - 31st March, 2016 `2.23 [paid under protest `0.35]) (Previous Year - 1st April, 2015 ` NIL [Paid under protest ` NIL]) in respect of Entry Tax, `192.17 [Paid under protest `30.19] (Previous Year - 31st March, 2016 ` 12.99 [Paid under protest `2.00]) (Previous Year - 1st April, 2015 `12.99 [Paid under protest `2.00]) in respect of Service Tax, `3569.55 [Paid under protest `3751.51] (Previous Year - 31st March, 2016 `3569.55 [Paid under protest `3751.51]) (Previous Year - 1st April, 2015 `3231.51 [Paid under protest `3751.51]) in respect of Income Tax, `3686.37 [Paid under protest `272.36] (Previous Year - 31st March, 2016 `3756.97 [Paid under protest `503.13]) (Previous Year - 1st April, 2015 `2887.32 [Paid under protest `240.32]) in respect of Excise Duty , `29.08 [Paid under protest `10.76] (Previous Year - 31st March, 2016 `29.08 [Paid under protest `10.76]) (Previous Year - 1st April, 2015 `29.08 [Paid under protest `10.76]) in respect of Land Diversion Tax impose by SDO Raghuraj Nagar, `29.70 [Advance paid `29.70] (Previous Year - 31st March, 2016 `29.70 [Advance paid `29.70]) (Previous Year - 1st April, 2015 `29.70 [Advance paid `29.70]) in respect of octroi, `208.20 [Paid under protest `15.62] (Previous Year - 31st March, 2016 `NIL [Paid under protest `NIL]) (Previous Year - 1st April, 2015 ` NIL [Paid under protest ` NIL]) in respect of custom duty and `2.41 [Paid under protest `2.41] (Previous Year - 31st March, 2016 ` NIL [Paid under protest ` NIL]) (Previous Year - 1st April, 2015 ` NIL [Paid under protest ` NIL]) in respect of other claims, which have not been provided for, as the matters are subjudice.

42.4 An Appeal has been filed by Budge Budge Floorcoverings Ltd, a subsidiary, before The Division Bench of 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 Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage.

42.5 In respect of the matters in note no. 42.1 to 42.4, 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

42.6 **Other Contingent Liabilities**

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.	Bills discounted with Banks remaining outstanding	488.02	312.25	452.55
b.	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG Scheme.	108.56	175.83	183.53

42.7 **Contingent Assets**

Sl. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.	Insurance claims lodged but not settled.	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	-	-

43. The Board of Directors of the parent company at its meeting held on 26th May, 2017 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, 2017. The same amounts to `6,024.32 (including dividend distribution tax of `1,018.97).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

44. Commitments

Capital Commitments

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	6,709.61	3,227.39	4,666.91

45. 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, 2017	As at 31st March, 2016	As at 1st April, 2015
Current				
Financial assets		**13,252.64**	**9,423.93**	**15,949.43**
Trade Receivables	11	13,252.64	9,423.93	8,691.80
Investment in Mutual Fund	10	–	–	7,257.63
Non-financial assets		**63,001.48**	**56,710.34**	**55,224.03**
Inventories	15	62,974.49	56,697.33	55,211.02
Others	14	27.00	13.01	13.01
Total current assets pledged as security		**76,254.12**	**66,134.27**	**71,173.46**
Non-current				
Land	6	1,06,921.33	7,029.37	6,961.34
Buildings	6	55,532.60	15,264.19	12,264.59
Plant & Machinery	6	3,72,315.38	1,68,908.36	1,61,307.23
Others Tangible Assets	6	83,564.32	9,544.93	15,506.04
Investment in Government Security	10	–	8,972.52	9,084.21
Other Non Current Assets	8 & 14	72,579.42	377.05	401.88
Total non-currents assets pledged as security		**6,90,913.05**	**2,10,096.42**	**2,05,525.29**
Total assets pledged as security		**7,67,167.18**	**2,76,230.69**	**2,76,698.75**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

46. 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, 2017	As at 31st March, 2016	As at 1st April, 2015
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	131.15	66.27	-
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	-	-	-

47. Operating leases

47.1 **As Lessee**

The Group's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godown) etc. These leasing arrangements which are cancellable ranging between 11 months and 10 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. The Parent Company has also has entered into agreement to take certain land on operating lease for manufacturing facilities from a third party. The lease arrangement is for 33 years. The lease rent of ` 396.63 (Previous Year ` 187.41) on such lease is included in Rent.

47.1.1 **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, 2017	As at 31st March, 2016	As at 1st April, 2015
Payables within one year	96.19	3.23	1.43
Payables later than one year but not later than five years	77.34	16.06	7.05
Payables later than five years	380.77	23.47	12.28

47.1.2 The Company has entered into leasing agreements under operating lease. Land for original lease period ranging upto 33 years. Amortisation of leasehold land included in the statement of profit and loss for the year is ` 1,896.35 (previous year ` 1,245.21).

47.2 **As Lessor**

47.2.2 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.

48. Earnings Per Share

Particulars	As at 31st March 2017	As at 31st March 2016
Profit for the year	21,946.36	16,772.45
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)	28.50	21.78

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

49. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

49.1 **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 2017	For the year ended 31st March 2016
a.	Provident Fund	185.57	75.63
b.	Superannuation Fund	359.31	347.71
c.	Pension Fund	777.69	564.21

49.2 **Defined Benefit Plan :**

The following are the types of defined benefit plans

49.2.1 **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.

49.2.2 **Pension Plan**

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

49.2.3 **Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

49.2.4 **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.

49.2.5 **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)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Balance at the beginning of the year	11,181.79	10,825.96	85.56	92.78
Acquired through business combination	429.56		–	–
Current Service Cost	731.03	565.08	–	–
Interest Cost on Defined Benefit Obligation	883.15	816.30	6.30	6.85
Actuarial Gain and Losses arising from			–	–
Changes in demographic assumptions			–	–
Changes in financial assumptions	793.17	–	3.81	–
Experience Adjustment	(92.21)	223.41	1.06	(0.54)
Benefits Paid from the Plan Assets	(1,158.11)	(1,248.96)	(13.63)	(13.53)
Balance at the end of the year	12,768.37	11,181.79	83.11	85.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

49.2.6 **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)	
	2016-17	2015-16	2016-17	2015-16
Balance at the beginning of the year	10,421.47	9,630.96	–	–
Acquired through business combination	461.95	–	–	–
Interest Income on Plan Assets	886.80	768.70	–	–
Remeasurement of Defined Benefit Obligation:			–	–
Return on plan assets greater/ (lesser) than discount rate	(73.82)	70.75	–	–
Employer Contributions to the Plan	1,531.65	1,200.01	–	–
Benefits Paid from the Plan Assets	(1,158.11)	(1,248.96)	–	–
Balance at the end of the year	12,069.93	10,421.47	–	–

49.2.7 **The amount recognised in the Balance Sheet**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Net Asset/(Liability) recognised in the Balance Sheet				
Present value of Defined Benefit Obligation	12,768.37	11,181.79	83.10	85.56
Fair Value of Plan Assets	12,069.93	10,421.47	–	–
Net Asset/(Liability) in the Balance Sheet	698.44	760.32	83.10	85.56

49.2.8 **Expenses recognized in profit or loss**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Current Service Cost	731.03	565.08	–	–
Interest Cost	883.15	816.30	6.30	6.85
Interest Income on Plan Assets	886.80	768.70	–	–

49.2.9 **Remeasuremets recognzied in other comprehensive income**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
Actuarial (gain)/ Loss on defined benefit obligation	700.96	223.41	4.87	(0.54)
Return on plan assets greater/ (lesser) than discount rate	73.82	(70.75)	–	–

49.2.10 **Major Categories of Plan Assets**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
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. 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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

49.2.11 **Asset-Liability Matching Strategy**

The Group investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Company, the investment are being managed by these insurance company 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.

49.2.12 **Actuarial Assumptions**

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Financial Assumptions				
Discount Rate	7%	8%	7%	8%
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%	–	–

49.2.13 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.

49.2.14 At 31st March 2017, 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	Gratuity (Funded)	Pension (Unfunded)
31st March 2018	1,827.52	12.30
31st March 2019	1,477.14	12.65
31st March 2020	1,284.25	12.42
31st March 2021	1,225.94	12.33
31st March 2022	1,293.45	11.87
31st March 2023 to 31st March 2027	8,663.15	57.56

49.2.15 The Group expects to contribute `823.08 (previous year `1,500) to its gratuity fund in 2017-18.

49.2.16 The following payments are expected contributions to the defined benefit plan in future years :

Expected contributions	Gratuity (Funded)	Pension (Unfunded)
Within next 12 months (next annual reporting period)	773.08	-
Between 2 and 5 years	800.00	-
Between 5 and 10 years	900.00	-
Beyond 10 years	1,200.00	-

49.2.17 In respect of provident fund in the nature of defined benefit plans contribution amounting to ` 563.56 (previous year ` 520.72 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".

49.2.18 **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)	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Effect on DBO due to 1% increase in Discount Rate	(258.14)	(628.38)	(3.81)	(3.84)
Effect on DBO due to 1% decrease in Discount Rate	1,420.30	779.63	4.19	4.21
Effect on DBO due to 1% increase in Salary Escalation Rate	1,403.39	773.80	-	-
Effect on DBO due to 1% decrease in Salary Escalation Rate	(257.72)	(634.86)	-	-

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

50. In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, the requisite disclosure are as follows :

50.1

Particulars	For the year ended on	
	31st March 2017	31st March 2016
Gross Amount Required to be spent by the Parent Company during the year	368.02	477.24
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR expenditure	NIL	NIL

50.2 Amount spent during the year on :

Sl. No.	Particulars	For the year ended on 31st March, 2017			For the year ended on 31st March, 2016		
		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	352.81	31.10	383.91	434.94	–	434.94

51. Companies included/not included in Consolidation :

		Particulars	2016-17		2015-16	
51.1		**Companies included in Consolidation** **Companies incorporated in India** **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	–	–
	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	48.61%	Associate
	ix	Birla Readymix Pvt. Ltd.	46.73%	Associate	46.73%	Associate
51.2		**Company not included in Consolidation as it is under voluntarily winding up** **Company incorporated Outside India, Ethiopia** **Name of the Company**	**Extent of Shareholding**	**Relationship**	**Extent of Shareholding**	**Relationship**
	i	Birla Corporation Cement Manufacturing PLC	100.00%	Subsidiary	100.00%	Subsidiary

52. Business Combinations

52.1 Pursuant to the Share Purchase Agreement ("Agreement"), the Parent Company has acquired 100% equity shares of Reliance Cement Company Private Limited ("RCCPL"), a manufacturer of cement, from Reliance Infrastructure Limited on 22nd August, 2016 at an enterprise valuation of ` 4,80,000. A sum of ` 2,25,352 has been paid/provided towards purchase consideration of Shares till 31st March, 2017 which may be further adjusted based on terms & condition of the agreement. The company does not envisage any material impact on account of above and there will not be any impact on the Statement of Profit and Loss. The acquisition provides the Group with the ownership of high-quality assets, taking its total capacity from 10 MTPA to 15.5 MTPA. The Group's expansion potential will also be significantly enhanced by valuable mineral concessions in several States, in addition to Madhya Pradesh. Further, the acquisition will provide excellent oppotunity of synergizing the cement business of the Group to gain maximum advantage in the region it operates in and increase its share in the rapidly growing cement market.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

52.2 Details of purchase consideration, the net assets acquired and Capital Reserve are as follows :

Purchase Consideration	Amount
Cash Paid	2,02,362.00
Contingent Consideration	22,990.00
Total purchase consideration	**2,25,352.00**

The assets and Liabilities recognised as a result of acquisition are as follows on the acquisition date :

Particulars	Amount
Property, Plant and Equipment	3,44,388.03
Capital Work-In-Progress	72,827.57
Intangible assets	94,788.16
Loans	36.14
Trade and Other receivables	2,639.36
Inventories	12,592.07
Cash and bank Balances	538.27
Other Financial Assets	2,505.64
Other Assets	29,016.57
Total Assets	**5,59,331.81**
Borrowings	2,34,197.66
Provisions	861.36
Deferred Tax Liabilities	40,117.88
Trade Payables	16,621.40
Other Financial Liabilities	24,302.73
Other Current Liabilities	5,397.62
Total Liabilities	**3,21,498.65**
Net identifiable assets acquired	**2,37,833.16**

Calculation of Capital Reserve	Amount
Consideration transferred	2,25,352.00
Less : Net identifiable assets acquired	2,37,833.16
Capital Reserve	**12,481.16**

52.3 **Significant estimate: Contingent Consideration**

As per the Agreement, in the event of fulfilment of certain predetermined conditions by the seller and receipt of incentive from the government beyond an agreed amount, contingent consideration may be payble.

52.4 **Acquired Receivables**

As on the date of acquisition, gross contractual amount of the acquired Trade Receivable and Other Financial Assets was ` 5,145 against which Provison of doubtful receivable of ` 475.38 was provided for. The fair value of the acquired Receivables was ` 4,669.62.

52.5 **Revenue and Profit/(Loss) contribution :**

52.5.1 The acquired business contributed Revenues of ` 1,16,850.78 and Profit of ` 512.29 to the Group for the period ended 22nd August, 2016 to 31st March, 2017.

52.5.2 The Revenue and Profit & Loss of the Group for the Financial Year 2016-17 on the assumption that the date of Business Combination would have been 1st April,2016 could not be disclosed as the fair value of the acquired assets and liabilities have been determined on the date of acquisition.

52.6 **Acquisition related costs**

Acquisition related costs of ` 179.73 are included in Other Expenses in the Statement of Profit & Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

53. 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 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.

54. 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 `1609.54. Consequential adjustment shall be made on settlement of the claim.

55. 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.

55.1 The Parent Company's unit Soorah Jute mill is under suspension of operations since 29th, March 2004.

55.2 The Parent Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

55.3 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. Last hearing was held on 06-09-2016. Next date of hearing has not been fixed as yet.

55.4 Budge Budge Floorcoverings Ltd, one of the subsidiaries considered for consolidation, is under Suspension of Operations since 29th October, 2003.

55.5 Foreign subsidiary "Birla Corporation Cement Manufacturing PLC" have not been consolidated during the year as it is under voluntarily winding up. The till date loss of such subsidiary was ` 54.27 (Previous Year ` 21.41).

56 Transition to Ind AS

56.1 **Basis for Preparation**

For all period up to and including the year ended 31st March, 2016, the Group has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the Group's first annual Ind AS financial statements and have been prepared in accordance with IND AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the date of transition). This note explains the principal adjustments made by the Group in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

56.2 **Exceptions and Exemptions Applied**

IND AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain mandatory exceptions and optional exemptions from the retrospective application of certain IND AS, effective for 1st April, 2015 opening balance sheet. In preparing these Standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

56.2.1 **Optional Exemptions Availed**

a. Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Standard has not been applied to acquisitions of subsidiaries, which are considered businesses for Ind AS, or of interests in associates that occured before the transition date i.e., 1st April 2015.

b. Property Plant and Equipment, Intangible Assets and Investment Properties

As permitted by para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

c. Determining whether an arrangement contains a Lease

Para D9-D9AA of Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 "Leases" for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has applied the above transitional provision and has assessed all the arrangements at the date of transition.

d. Designation of previously recognised financial instruments

Para D19B of Ind AS 101 permits an entity to designate particular investments in equity instruments as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather at initial recognition). The Company has opted to avail this exemption to designate its investments in equity instruments (other than investment in subsidiaries and associates) as FVOCI on the date of transition.

e. Non-current Assets held for Sale and Discontinued Operations

As per Para D35AA a first time adopter have an option of measuring the non-current assets that meet the criteria of held for sale at lower of the carrying amount and fair value less cost to sales at the date of transition and recognize the difference of the amount so calculated and the previous GAAP carrying amount directly in retained earnings. The Company has elected to adopt this exemption.

56.2.2 **Mandatory Exceptions**

a. Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period. The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below :

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Fair Valuation of Biological Assets measured at fair value less cost to sell.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.
- Discounted value of mines restoration liability.

b. De-recognition of financial assets and liabilities

As per para B2 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para B3 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c Classification and measurement of financial assets

Para B8 - B8C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

56.3 **Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

56.3.1 Reconciliation of material items of Balance sheet as at 1st April, 2015 (Transition Date) and as at 31st March, 2016

56.3.2 Reconciliation of Statement of Profit & Loss for the year ended 31st March, 2016

56.3.3 Reconciliation of Equity as at 1st April, 2015 and as at 31st March, 2016

56.3.4 **Adjustments to Statement of Cash Flows**

The presentation requirements under Previous GAAP differ from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

56.3.1 **Reconciliation of material items of Balance sheet as at April 1, 2015 (Transition Date) and as at March 31, 2016**

Particulars	Refer Note No.	Previous GAAP* as at 31.03.2016	Effect of Transition to IND AS	As per IND AS Balance Sheet as at 31.03.2016	Previous GAAP* as at 31.03.2015	Effect of Transition to IND AS	As per IND AS Balance Sheet as at 1.4.2015
ASSETS							
Property, Plant and Equipment	56.3.5(e)	2,02,881.70	143.42	2,03,025.12	1,92,539.70	430.08	1,92,109.59
Intangible Assets	56.3.5(e)	221.20	44.71	265.91	412.96	–	412.96
Biological Assets other than bearer plants	56.3.5(e)	10.69	71.86	82.55	11.39	78.83	90.22
Non Current Investments	56.3.5(a)	19,217.70	12,328.70	31,546.40	35,354.44	15,771.07	51,125.51
Current Investments	56.3.5(a)	1,25,674.78	11,765.72	1,37,440.50	95,542.24	7,883.25	1,03,425.49
EQUITY AND LIABILITIES							
Equity Share Capital		7,700.89	–	7,700.89	7,700.89	–	7,700.89
Other Equity		2,63,508.29	21,322.67	2,84,830.96	2,54,995.83	21,005.89	2,76,001.72
LIABILITIES							
NON–CURRENT LIABILITIES							
Borrowings	55.3.5(f)	79,490.36	(521.68)	78,968.68	1,10,178.17	(841.38)	1,09,336.79
Deferred Tax Liabilities (Net)	56.3.5(b)	27,339.41	9,042.21	18,297.20	24,376.42	(4,662.66)	19,713.76
Other Non Current Liabilities	56.3.5(j)	17,703.26	719.78	16,983.48	19,551.17	(677.54)	18,873.63
CURRENT LIABILITIES							
Provisions	56.3.5(c)	7,419.67	(5,581.18)	1,838.49	7,370.08	(5,054.74)	2,315.34

*Regrouped as per Ind AS Compliant Schedule III.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

56.3.2 **Reconcilliation of Statement of Profit & Loss for the year ended 31st March, 2016**

INCOME	Refer Note No.	Previous GAAP*	Effect of transition to IND AS	Ind AS
Revenue from Operations	56.3.5(e)	3,76,842.06	(682.94)	3,76,159.12
Other Income	56.3.5(a), (e),(g),(j)	16,381.59	1357.32	17,738.91
Total Income(A)		**3,93,223.65**	**674.38**	**3,93,898.03**
EXPENSES				
Cost of Materials Consumed	56.3.5(k)	61,693.46	5.81	61,699.27
Purchases of Stock -in- Trade		88.91	–	88.91
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	56.3.5(k)	−1,414.10	10.89	−1,403.21
Employee Benefits Expense	56.3.5(e)	24,526.04	(151.39)	24,374.65
Finance Costs	56.3.5(f)	8,158.55	67.54	8,226.09
Excise Duty		49,343.41	0.00	49,343.41
Depreciation and Amortisation Expense	56.3.5(k)	14,932.83	(56.54)	14,876.29
Other Expenses	56.3.5(e), (g),(h),(i)	2,14,052.29	(604.39)	2,13,447.90
Exceptional items				
Total Expenses(B)		**3,71,381.39**	**(728.08)**	**3,70,653.31**
Profit before Exceptional Items and Tax		**21,842.26**	**1,402.46**	**23,244.72**
Exceptional Items		**3,149.48**	**–**	**3,149.48**
Profit before Tax		**18,692.78**	**1,402.46**	**20,095.24**
Tax Expense:				
Current Tax	56.3.5(d)	8.20	52.72	60.92
Deferred Tax	56.3.5(b)	2,962.99	313.98	3,276.97
Income Tax for earlier years		(15.72)	–	(15.72)
Profit for the year		**15,737.31**	**1,035.76**	**16,773.07**
Less: Non Controlling interest		0.59	0.03	0.62
Profit for the year		**15,736.72**	**1,035.73**	**16,772.45**
Other Comprehensive Income				
A Items that will not be reclassified to profit or loss	56.3.5(e)	–	(2,068.80)	(2,068.80)
Income tax relating to these items	56.3.5(b)	–	716.05	716.05
		–	**(1,352.75)**	**(1,352.75)**
B Items that will be reclassified to profit or loss	56.3.5(e)	–	(132.32)	(132.32)
Income tax relating to these items	56.3.5(b)	–	(45.79)	(45.79)
		–	**(86.53)**	**(86.53)**
Other Comprehensive Income for the Year (Net of Tax)		–	(1,439.28)	(1,439.28)
Total Comprehensive Income for the period		**15,736.72**	**(403.55)**	**15,333.17**

* Regrouped as per IND AS compliant Schedule III

56.3.3 **Reconcilliation of Total Equity**

Particular	Refer Note No.	As at 31st March,2016	As at 1st April,2015
Equity under Previous Indian GAAP		**2,71,209.18**	**2,62,696.72**
On account of measuring Investments at Fair Value	56.3.5(a)	11,760.26	10,410.29
On account of application of Effective Interest Rate	56.3.5(f)	84.15	(16.61)
On account of Government Grant accounting	56.3.5(j)	(178.78)	(225.98)
On account of decommissioning liability	56.3.5(d)	(449.63)	(506.17)
Other IND AS adjustments	56.3.5(g),(h),(i),(j),(k)	678.62	(369.17)
Reversal of Proposed Dividend incl. CDT	56.3.5(c)	5,560.91	5,560.91
Items reclassified to OCI	56.3.5(a)	8,652.57	10,679.53
Impact of Tax	56.3.5(b)	-4,785.43	(4,526.91)
Total adjustment to equity		**21,322.67**	**21,005.89**
Total equity under Ind AS		**2,92,531.85**	**2,83,702.61**
As per IND AS Accounts		**292531.85**	**283702.61**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

56.3.4 **Impact of Ind AS adoption on the standalone statements of cash flows for the year ended 31 March, 2016**

Particulars	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from Operating Activities		24,492.00	381.02	24,873.02
Net cash flow from Investing Activities		(756.18)	(309.29)	(1,065.47)
Net cash flow from Financing Activities		(20,115.55)	(71.73)	(20,187.28)
Net increase/(decrease) in cash and cash equivalents		3,620.27	–	3,620.27
Cash and cash equivalents as at 1st April 2015		7,090.55	–	7,090.55
Cash and cash equivalents as at 31st March 2016		10,710.82	–	10,710.82

56.3.5 Explanations to the material adjustments made in the process of IND AS transition from previous GAAP

a. Fair valuation of investments

Under the Indian GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March 2016.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31st March 2016.

b. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

c. Dividend

Under Indian GAAP, proposed dividends including Dividend Distribution Taxes (DDT) are recognized as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognized as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

Since declaration of dividend occurs after period end in the Company, the Provision for proposed dividend has been derecognized against retained earnings on 1st April 2015 and Liabilities recognized in the year ended 31st March, 2016.

d. Restoration (including Mine closure), rehabilitation and decommissioning

Under IND AS 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. Under Indian GAAP, the above obligation is not required to be discounted to its present value.

e. Re-Classifications

The Company has done the following reclassifications as per the requirements of Ind-AS:

i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.

ii) The Company has re-classified certain leasehold land from Property Plant & Equipment to Mining Rights under Intangible Assets and Prepayment Lease Rental under operating lease.

iii) Under Indian GAAP, Live Stock were presented under Property,Plant & Equipment being measured at cost.Under IND AS the same have been reclassified from Property,Plant & Equipment to Biological Assets other than bearer plants and measured at fair value less cost to sale.

iv) Under Indian GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties have been separately presented on the face of the balance sheet.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

v) Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.

vi) The Company has re-classified unpaid dividend balance form cash and cash equivalents to other bank balances.

vii) Excise duty on sales was earlier netted off with Sales, has now been presented separately.

f. Long Term Borrowings

Under Indian GAAP, the Company accounted for long term borrowings measured at transaction value. Under Ind AS, the Company has recognised the long term borrowings at amortised cost using effective interest rate (EIR).

g. Forward Contract:

Under IND AS mark to market gain/loss on restatement of forward contract as at the reporting date has been recognized in the statement of profit & loss.

h. Leases

Under Ind AS, where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, straight lining of lease is not required. The same was required under AS-19.

The Company has initially recognised security deposit paid to the lessor at fair value and subsequently at amortised cost as per Ind AS 109.

i. Expected Credit Loss Model

Ind-AS 109 requires to recognize loss allowances on trade receivable and other financial assets of the Company, at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk.

j. Deferred Revenue

Under India GAAP, grants received from government agencies against specific fixed assets (Property, Plant and Equipment) are adjusted to the cost of the assets. Under IND AS the same has been presented as deferred revenue being amortised in the statement of profit & loss on a systematic basis.

k. Leases/Depreciation and Amortisation Expenses/Inventory

Under India GAAP, lease agreement to use land was excluded from accounting of leases under AS 19.Under IND AS, use of land is not excluded from accounting of leases. Due to the above, measurement amount of lease, operating or finance has been changed resulting into change in depreciation and amortisation expenses and corresponding change in the inventory valuation

57. Fair value of Financial Assets and Financial Liabilities

As at 31st March 2017 and 31st March 2016 (` in lacs)

Particulars	31st March 2017			31st March 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	-	21,977.17	-	-	10,456.36	-
- Preference Shares	0.01	-	-	0.01	-	-
- Bonds and Debentures	-	806.74	-	-	13,290.82	-
- Mutual Funds	33,532.36	-	-	1,36,165.22	-	-
- Government Securities	-	100.85	0.18	-	9,074.31	0.18
Trade Receivables	-	-	13,252.64	-	-	9,423.93
Loans Given	-	-	224.82	-	-	248.23
Cash and Cash Equivalents	-	-	8,830.15	-	-	10,696.72
Other Bank Balances	-	-	22,416.84	-	-	25,641.13
Security Deposits	-	-	4,452.91	-	-	3,050.90
Other Deposits and Advances	-	-	759.34	-	-	199.57
Interest accrued on Deposits	-	-	456.90	-	-	435.39
Fixed Deposits maturing after 12 months from Balance sheet date	-	-	390.38	-	-	68.65
Foreign Exchange Forward Contract (MTM)	10.35	-	-	5.19	-	-
Other Financial Assets	-	-	243.50	-	-	236.54
Total Financial Assets	**33,542.72**	**22,884.76**	**51,027.66**	**1,36,170.42**	**32,821.49**	**50,001.24**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

Particulars	31st March 2017			31st March 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Liabilities						
Borrowings	–	–	4,25,480.65	–	–	1,28,111.85
Trade Payables	–	–	36,786.28	–	–	16,271.98
Trade & Security Deposits	–	–	30,832.34	–	–	18,487.56
Amount Payable for Capital Goods	–	–	4,236.11	–	–	1,670.01
Finance Lease Obligation	–	–	13.27	–	–	13.30
Interest accrued but not due on Borrowings	–	–	3,546.88	–	–	791.68
Employees related liabilities	–	–	2,620.64	–	–	1,382.30
Foreign Exchange Forward Contract (MTM)	1,085.88	–	–	388.29	–	–
Other Financial Liabilities	–	–	31,302.23	–	–	9,164.28
Total Financial Liabilities	**1,085.88**	**–**	**5,34,818.40**	**388.29**	**–**	**1,75,892.96**

As at 1st April 2015

Particulars	FVTPL	FVOCI	Amortized Cost
Financial Assets			
Investment			
– Equity Instruments	–	12,203.65	–
– Preference Shares	0.01	–	–
– Bonds and Debentures	–	–	19,066.29
– Mutual Funds	1,14,100.54	–	–
– Government Securities	–	–	9,180.51
Trade Receivables	–	–	8,691.80
Loans Given	–	–	195.77
Cash and Cash Equivalents	–	–	7,112.47
Other Bank Balances	–	–	39,689.39
Security Deposits	–	–	2,813.34
Other Deposits and Advances	–	–	190.17
Interest accrued on Deposits	–	–	2,335.27
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	73.90
Foreign Exchange Forward Contract (MTM)	5.61	–	–
Other Financial Assets	–	–	614.91
Total Financial Assets	1,14,106.16	12,203.65	89,963.82
Financial Liabilities			
Borrowings	–	–	1,29,363.97
Trade Payables	–	–	16,048.88
Trade & Security Deposits	–	–	15,789.27
Amount Payable for Capital Goods	–	–	2,476.67
Finance Lease Obligation	–	–	13.19
Interest accrued but not due on Borrowings	–	–	776.06
Employees Related Liabilities	–	–	701.77
Foreign Exchange Forward Contract (MTM)	172.99	–	–
Other Financial Liabilities	–	–	7,754.45
Total Financial Liabilities	172.99	-	1,72,924.26

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

58. Fair Value of Financial Assets & Liabilities

58.1 **The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:**

(` in lacs)

Particulars	31st March 2017		31st March 2016		1st April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Investments						
Bonds	-	-	-	-	19,066.29	19,225.22
Government Securities	0.18	0.18	0.18	0.18	9,180.51	8,938.20
Trade Receivables	13,252.64	13,252.64	9,423.93	9,423.93	8,691.80	8,691.80
Other Receivables	-	-	-	-	-	-
Loans Given	224.82	224.82	248.23	248.23	195.77	195.77
Cash and Cash Equivalents	8,830.15	8,830.15	10,696.72	10,696.72	7,112.47	7,112.47
Other Bank Balances	22,416.84	22,416.84	25,641.13	25,641.13	39,689.39	39,689.39
Security Deposits	4,452.91	4,452.91	3,050.90	3,050.90	2,813.34	2,813.34
Other Deposits and Advances	759.34	759.34	199.57	199.57	190.17	190.17
Interest accrued on Deposits	456.90	456.90	435.39	435.39	2,335.27	2,335.27
Fixed Deposits maturing after 12 months from Balance sheet date	390.38	390.38	68.65	68.65	73.90	73.90
Other Financial Assets	243.50	243.50	236.54	236.54	614.91	614.91
Total Financial Assets	**51,027.66**	**51,027.66**	**50,001.24**	**50,001.24**	**89,963.82**	**89,880.44**
Long Term Borrowings						
Fixed Rate						
Debentures	68,000.00	69,408.41	40,000.00	39,993.88	40,000.00	39,390.89
Floating Rate						
Rupee Term Loan	2,28,891.97	2,28,891.97	400.00	400.00	400.00	400.00
Foreign Currency Term Loan	1,26,450.09	1,26,450.09	73,436.07	73,436.07	74,881.42	74,881.42
Finance Lease Obligation	13.27	13.27	13.30	13.30	13.19	13.19
Financial Liabilities						
Short Term Borrowings	2,138.58	2,138.58	14,275.78	14,275.78	14,082.55	14,082.55
Trade Payables	36,786.28	36,786.28	16,271.98	16,271.98	16,048.88	16,048.88
Trade & Security Deposits	30,832.34	30,832.34	18,487.56	18,487.56	15,789.27	15,789.27
Amount Payable for Capital Goods	4,236.11	4,236.11	1,670.01	1,670.01	2,476.67	2,476.67
Interest accrued but not due on Borrowings	3,546.88	3,546.88	791.68	791.68	776.06	776.06
Employees related liabilities	2,620.64	2,620.64	1,382.30	1,382.30	701.77	701.77
Other Financial Liabilities	31,302.23	31,302.23	9,164.28	9,164.28	7,754.45	7,754.45
Total Financial Liabilities	**5,34,818.40**	**5,36,226.81**	**1,75,892.96**	**1,75,886.84**	**1,72,924.26**	**1,72,315.15**

58.2 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.

58.3 **The following methods and assumptions were used to estimate the fair values :**

58.3.1 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

58.3.2 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.

59. 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.

59.1 **Assets and Liabilities measured at Fair Value - recurring fair value measurements**

As at 31st March 2017 and 31st March 2016

(` in lacs)

Particulars	31st March 2017			31st March 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Financial Investment at FVTPL						
Unlisted Preference Shares	–	–	0.01	–	–	0.01
Mutual Funds	33,532.36	–	–	1,36,165.22	–	–
Financial Investment at FVOCI	–	–	–	–	–	–
Listed Equity Investments	21,972.01	–	–	10,451.20	–	–
Unlisted Equity Investments	–	–	5.16	–	–	5.16
Listed Corporate Bonds	806.74	–	–	13,290.82	–	–
Listed Government Securities	100.95	–	–	9,074.41	–	–
Foreign Exchange Forward Contract (MTM)	10.35	–	–	5.19	–	–
Total Financial Assets	**56,422.41**	**–**	**5.17**	**1,68,986.84**	**–**	**5.17**
Financial Liabilities						
Derivatives not designated as hedges						
Foreign Exchange Forward Contracts (MTM)	1,085.88	–	–	388.29	–	–
Total Financial Liabilities	1,085.88	–	–	388.29	–	–

As at 1st April 2015

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Financial Investment at FVTPL			
Unlisted Preference Shares	–	–	0.01
Mutual Funds	1,14,100.54	–	–
Financial Investment at FVOCI	–	–	–
Listed Equity Investments	12,198.49	–	–
Unlisted Equity Investments	–	–	5.16
Listed Government Securities	0.10	–	–
Derivatives not designated as hedge			
Foreign Exchange Forward Contracts	5.61	–	–
Total Financial Assets	**1,26,304.74**	**–**	**5.17**
Financial Liabilities			
Derivatives not designated as hedges			
Foreign Exchange Forward Contracts (MTM)	172.99	–	–
Total Financial Liabilities	**172.99**	**–**	**–**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

59.2 **Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed**

As at 31st March 2017 and 31st March 2016

(` in lacs)

Particulars	31st March 2017			31st March 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments						
Bonds	–	–	–	–	–	–
Government Securities	–	–	0.18	–	–	0.18
Trade Receivables	–	–	13,252.64	–	–	9,423.93
Other Receivables	–	–	–	–	–	–
Loans Given	–	–	224.82	–	–	248.23
Cash and Cash Equivalents	–	–	8,830.15	–	–	10,696.72
Other Bank Balances	–	–	22,416.84	–	–	25,641.13
Security Deposits	–	–	4,452.91	–	–	3,050.90
Other Deposits and Advances	–	–	759.34	–	–	199.57
Interest accrued on Deposits	–	–	456.90	–	–	435.39
Fixed Deposits maturing after 12 months from Balance sheet date	–	–	390.38	–	–	68.65
Other Financial Assets	–	–	243.50	–	–	236.54
Total Financial Assets	–	–	51,027.66	–	–	50,001.24
Financial Liabilities						
Non-Current Borrowings						
Debentures	–	–	69,408.41	–	–	39,993.88
Rupee Term Loan	–	–	2,28,891.97	–	–	400.00
Foreign Currency Term Loan	–	–	1,26,450.09	–	–	73,436.07
Finance Lease Obligation	–	–	13.27	–	–	13.30
Short Term Borrowings	–	–	2,138.58	–	–	14,275.78
Trade Payables	–	–	36,786.28	–	–	16,271.98
Trade & Security Deposits	–	–	30,832.34	–	–	18,487.56
Amount Payable for Capital Goods	–	–	4,236.11	–	–	1,670.01
Interest accrued but not due on Borrowings	–	–	3,603.21	–	–	791.68
Employees related liabilities	–	–	2,620.64	–	–	1,382.30
Other Financial Liabilities	–	–	31,358.56	–	–	9,164.28
Total Financial Liabilities	–	–	5,36,283.14	–	–	1,75,886.84

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

As at 1st April 2015

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investments			
Bonds	-	-	19,225.22
Government Securities	-	-	8,938.20
Trade Receivables	-	-	8,691.80
Loans Given	-	-	195.77
Cash and Cash Equivalents	-	-	7,112.47
Other Bank Balances	-	-	39,689.39
Security Deposits	-	-	2,813.34
Other Deposits and Advances	-	-	190.17
Interest accrued on Deposits	-	-	2,335.27
Fixed Deposits maturing after 12 months from Balance sheet date	-	-	73.90
Other Financial Assets	-	-	614.91
Total Financial Assets	-	-	89,880.44
Financial Liabilities			
Non-Current Borrowings			
Debentures	-	-	39,390.89
Rupee Term Loan	-	-	400.00
Foreign Currency Term Loan	-	-	74,881.42
Finance Lease Obligation	-	-	13.19
Short Term Borrowings	-	-	14,082.55
Trade Payables	-	-	16,048.88
Trade & Security Deposits	-	-	15,789.27
Amount Payable for Capital Goods Creditors	-	-	2,476.67
Interest accrued but not due on Borrowings	-	-	776.06
Employees related liabilities	-	-	701.77
Other Financial Liabilities	-	-	7,754.45
Total Financial Liabilities	-	-	1,72,315.15

59.3 During the year ended 31st March, 2017 and 31st March, 2016, 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.

60. 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:

60.1 **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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

a. Trade Receivables

As at 31st March 2017 (` in lacs)

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

As at 31st March 2016

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	322.78	6,180.47	1,261.59	520.34	2,240.78
Expected loss rate	0%	0%	0%	0%	49.18%
Expected credit losses (Loss allowance provision)	-	-	-	-	1,102.03
Carrying amount of trade receivables (net of impairment)	322.78	6,180.47	1,261.59	520.34	1,138.75

As at 1st April 2015

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	273.27	5,319.35	1,428.99	544.86	2,255.59
Expected loss rate	0%	0%	0%	0%	50.11%
Expected credit losses (Loss allowance provision)	-	-	-	-	1,130.26
Carrying amount of trade receivables (net of impairment)	273.27	5,319.35	1,428.99	544.86	1,125.33

Reconciliation of loss allowance provision –	Trade Receivables
Loss allowance on 1 April 2015	1,130.26
Changes in loss allowance	(28.23)
Loss allowance on 31 March 2016	1,102.03
Changes in loss allowance	572.65
Loss allowance on 31 March 2017	1,674.68

There are no customers who represents more than 10% of the total balance of Trade Receivables.

60.2 **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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

i) **Maturity Analysis for financial liabilities**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2017.

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	0.61	17,825.33	18,960.34	–	–	36,786.28
	Borrowings						
	Redeemable Debentures						
	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	–	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 4 (f)(i)	–	658.36	658.36	3,291.80	–	4,608.52
	Refer Note No. 22 4 (f)(ii)	–	–	5,790.63	19,688.12	–	25,478.75
	Refer Note No. 22 4 (f)(iii)	–	–	2,316.25	7,875.25	–	10,191.50
	Refer Note No. 22 4 (f)(iv)	–	–	–	25,942.00	–	25,942.00
	Refer Note No. 22 4 (f)(v)	–	1,111.71	1,111.71	8,893.72		11,117.14
	Refer Note No. 22 4 (f)(vi)	–			3,857.00	25,143.00	29,000.00
	Refer Note No. 22 4 (f)(vii)		486.37	486.38	7,003.80		7,976.55
	Refer Note No. 22 4 (f)(viii)	–	967.64	967.64	7,741.08	3,870.54	13,546.90
	Finance lease obligations	–	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	559.18	-	-	3,546.88
	Employees related Liabilities	-	1,559.15	1,061.49	-	-	2,620.64
	Others Financial Liabilities	134.46	23,026.33	7,293.13	848.32	-	31,302.23
	Total	1,520.31	53,231.23	52,278.77	1,76,569.86	2,54,422.19	5,38,022.36
	Derivative						
	Foreign Exchange forwards contracts	-	374.13	711.75	-	-	1,085.88

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

b. The following are the remaining contractual maturities of financial liabilities as at 31st March 2016.

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	0.63	16,271.35	–	–	–	16,271.98
Borrowings						
Redeemable Debentures						–
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
1200 8.80% NCD 2017	–	–	12,000.00	–	–	12,000.00
Rupee Term Loan	–	–	–	400.00	–	400.00
Foreign Currency Term Loan						
Refer Note No. 22 4 (f)(i)	–	672.62	672.62	4,708.37	–	6,053.61
Refer Note No. 22 4 (f)(ii)	–	3,549.65	–	26,030.71	–	29,580.36
Refer Note No. 22 4 (f)(iii)	–	1,419.86	–	10,412.28	–	11,832.14
Refer Note No. 22 4 (f)(iv)	–	4,969.50	11,595.50	9,939.00	–	26,504.00
Finance lease obligations	–	0.47	0.47	3.77	8.59	13.30
Short Term Borrowings	1,721.24	12,554.54	–	–	–	14,275.78
Other financial liabilities						
Trade & Security Deposits*	–	4.70	–	–	18,482.86	18,487.56
Amount Payable for Capital Goods	–	1,670.01	–	–	–	1,670.01
Interest accrued but not due on Borrowings		70.16	721.52	–	–	791.68
Employees related Liabilities	–	1,382.30	–	–	–	1,382.30
Others Financial Liabilities	140.10	8,171.06	1.56	851.56	–	9,164.28
Total	1,861.97	50,736.22	24,991.68	80,345.69	18,491.45	1,76,427.01
Derivative						
Foreign Exchange forwards contracts	–	271.54	111.55	–	–	383.09

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

c. The following are the remaining contractual maturities of financial liabilities as at 1st April 2015.

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	0.60	16,048.28	–	–	–	16,048.88
Borrowings						
Redeemable Debentures						
1300 9.05% NCD 2020	–	–	–	13,000.00	–	13,000.00
1500 9.10% NCD 2020	–	–	–	15,000.00	–	15,000.00
1200 8.80% NCD 2017	–	–	–	12,000.00	–	12,000.00
Rupee Term Loan	–	–	–	400.00	–	400.00
Foreign Currency Term Loan						
Refer Note No. 22 4 (f)(i)			634.50	5,076.05	634.50	6,979.55
Refer Note No. 22 4 (f)(ii)			–	27,904.01	–	31,252.50
Refer Note No. 22 4 (f)(iii)			–	11,161.61	–	12,501.00
Refer Note No. 22 4 (f)(iv)			–	25,002.00	–	25,002.00
Finance lease obligations		0.47	0.47	3.77	8.48	13.19
Short Term Borrowings	1,770.36	12,312.19	–	–	–	14,082.55
Other financial liabilities						
Trade & Security Deposits*	–	15.65	–	–	15,773.62	15,789.27
Amount Payable for Capital Goods	–	2,476.67	–	–	–	2,476.67
Interest accrued but not due on Borrowings	–	60.64	715.41	–	–	776.05
Employees related Liabilities	0.20	701.57	–	–	–	701.77
Others Financial Liabilities	129.92	6,772.70	1.71	850.12	–	7,754.45
Total	1,901.08	43,710.56	1,352.09	1,10,397.55	16,416.60	1,73,777.89
Derivative						
Foreign Exchange forwards contracts	–	86.36	81.03	–	–	167.39

* Based on management assumption

d. 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.

60.3 **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 Exchange Risk, Interest Rate Risk and Other Price Risk.

60.3.1 **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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

60.3.2 **Foreign Exchange 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 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) **Unhedge Foreign Currency Exposure**

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	77,392.489	22.75	1,576.97	1.55	0.90

Particulars	**31st March 2016**					
	USD	**INR**	**EUR**	**INR**	**JPY**	**INR**
Financial Assets						
Trade Receivables	5.47	362.27	0.57	42.83	-	-
Financial Liabilities						
Foreign Currency Term Loan	891.36	59,061.61	-	-	-	-
Buyers Credits	37.76	2,501.75	-	-	-	-
Trade Payables & Others	6.52	431.94	0.71	53.60	1.55	0.91
Net Exposure in foreign currency	930.17	61,633.03	0.14	10.77	1.55	0.91

Particulars	**31st March 2015**			
	USD	**INR**	**EUR**	**INR**
Financial Assets				
Trade Receivables	3.72	232.24	-	-
Financial Liabilities				
Foreign Currency Term Loan	1,021.66	63,859.10	-	-
Buyers Credits	92.99	5,812.38	-	-
Trade Payables & Others	16.57	1,035.92	12.77	858.29
Net Exposure in foreign currency	1,127.51	70,475.17	12.77	858.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

II) Hedge Foreign Currency Exposure

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

Particulars	31st March 2016		31st March 2015	
	USD	INR	USD	INR
Derivative Assets				
Forward Contract against Trade Receivable	2.36	156.27	9.18	573.59
Forward Contract against Firm Commitments	–	–	3.80	237.52
Derivative Liabilities				
Forward/Future Contract - Against Payable	258.00	17,092.50	190.00	11,874.05
Forward/Future Contract - Against Firm Commitments	54.00	3,577.50	–	–
Net Exposure in foreign currency	309.64	20,513.73	177.02	11,062.94

b. 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 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
USD Sensitivity (Increase)	5%	3,869.62	3,043.85	5%	3,081.65	2,424.03
USD Sensitivity (Decrease)	5%	(3,869.62)	(3,043.85)	5%	(3,081.65)	(2,424.03)
EUR Sensitivity (Increase)	5%	78.85	62.02	5%	0.54	0.42
EUR Sensitivity (Decrease)	5%	(78.85)	(62.02)	5%	(0.54)	(0.42)
JPY Sensitivity (Decrease)	5%	0.04	0.04	5%	0.05	0.04
JPY Sensitivity (Decrease)	5%	(0.04)	(0.04)	5%	(0.05)	(0.04)

60.3.3 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

a. Exposure to interest rate risk

Particulars	31st March 2017	31st March 2016	1st April 2015
Fixed Rate Instruments			
Financial Assets	–	–	–
Financial Liabilities	96,742.27	40,000.00	40,000.00
	96,742.27	**40,000.00**	**40,000.00**
Variable Rate Instruments			
Financial Assets	–	–	–
Financial Liabilities	3,29,533.70	74,370.10	76,135.05
	3,29,533.70	**74,370.10**	**76,135.05**

b. Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on PBT and Other Equity.

Particulars	31st March 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before Tax	Other Equity		Profit before Tax	Other Equity
Interest Rate Increase by	0.50%	1,647.67	1,296.06	0.50%	371.85	292.50
Interest Rate Decrease by	0.50%	(1,647.67)	(1,296.06)	0.50%	(371.85)	(292.50)

60.3.4 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 2017	31st March 2016	1st April 2015
Investment in Equity Instruments	21,972.01	10,451.20	12,198.49
Investment in Mutual Funds	33,532.36	1,36,165.22	1,14,100.54
Investment In Bonds	806.74	13,290.82	19,066.29
Investment in Government Securities	101.03	9,074.49	9,180.51
	56,412.14	**1,68,981.73**	**1,54,545.83**

b. **Sensitivity Analysis**

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March 2017			31st March 2016		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit after Tax	Other Equity		Profit after Tax	Other Equity
Market rate Increase	5%	2,820.61	2,218.69	5%	8,449.09	6,646.05
Market rate Decrease	5%	(2,820.61)	(2,218.69)	5%	(8,449.09)	(6,646.05)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

61 Capital Management

The Company 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. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2017	31st March 2016	1st April 2015
Debt Equity Ratio	1.02	(0.26)	(0.25)

62 Segment Reporting

A) Primary Segment Information

	2016-17				2015-16			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales (Including Own Consumption)	464291.97	32761.91	1068.09	498121.97	343516.00	31342.00	1301.12	376159.12
Total Segment Revenue	**464291.97**	**32761.91**	**1068.09**	**498121.97**	**343516.00**	**31342.00**	**1301.12**	**376159.12**
Segment Result	40958.91	2,306.61	(214.00)	43051.52	15077.96	2,070.57	(96.87)	17051.66
Less:								
(i) Interest				27678.54				8226.09
(ii) Unallocated corporate expenses net of unallocated income				(7,656.55)				(11,269.67)
Profit before Tax				**23029.53**				**20095.24**
Tax Expenses				1082.38				3322.17
Profit after Tax				**21947.15**				**16773.07**
Other Information								
Segment Assets	860628.33	15659.34	2779.45	879067.12	293709.63	17999.08	2469.58	314178.29
Unallocated corporate assets				90714.51				208754.11
Total				**969781.63**				**522932.40**
Segment Liabilities	139354.78	2142.49	298.61	141795.88	77705.01	2113.00	263.08	80081.09
Unallocated corporate liabilities				497484.25				150317.40
Total				**639280.13**				**230398.49**
Capital Expenditure	531502.06	647.38	295.53	532444.97	18619.61	592.98	103.31	19315.90
Common Capital Expenditure				500.05				787.62
Total				**532945.02**				**20103.52**
Depreciation	24423.41	792.39	105.12	25320.92	13529.71	849.03	104.83	14483.57
Common Depreciation				229.39				392.71
Total				**25550.31**				**14876.28**

B) Secondary Segment Information

The company operates mainly in the Indian market and the export turnover being 2.01% (Previous year 1.11 %) of the external sales of the Company, there are no reportable geographical segments.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

63 Related Party Disclosures

63.1 As defined in Indian Accounting Standard-24, The Group has related parties with whom transactions have taken place during the year and previous year are:

Nature	Name of the Company
Associates	Birla Readymix Private Limited
	Birla Odessa Industries Private Limited

Nature	Name	Designation
Key Management Personnels	Mr. Bachh Raj Nahar	Managing Director
	Mr. Pracheta Majumdar	Wholetime Director designated as Chief Management Advisor

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 Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund
	Birla DLW Ltd. Employees Gratuity Fund

63.2 During the year the Company entered into the followings related party transactions:

Particulars	Associates	Key Management Personnel	Post employment benefit plan Trust	Subsidiaries	Associates	Key Management Personnel	Post employment benefit plan Trust
Advances given	0.07	-			0.10	-	
Paid to Trust-Employees Provident Fund Contribution			563.56				520.72
Paid to Trust-Employees Gratuity Fund Contribution			1,531.65				1200.00
Paid to Trust-Employees Superannuation Fund Contribution			359.31				347.71
Remuneration, Perquisites & Others (Refer Note No. 63.3)	-	516.08			-	395.05	

63.3 Key Management Personnel compensation

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Short-term employee benefits	474.48	356.18
Post-employment benefits	31.79	30.62
Long-term employee benefits	9.81	8.25
Total compensation	516.08	395.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

63.4 **Balance Outstanding as at the balance sheet date**

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Provision for Employees benefit			
Post employment benefit plan Trust	819.72	888.35	1,326.86
Advances Given			
Associates	0.17	0.10	–

64. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates

	Net Assets i.e. Total Assets minus Total Liabilities		Share of Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
Name of the entity in the Group	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Birla Corporation Limited[1]	96.04	3,17,412.66	97.51	21,399.77	99.16	7,489.55	97.93	28,889.32
Subsidiaries								
Indian								
1. Reliance Cement Company Private Limited	72.14	2,38,410.02	2.33	512.16	0.86	64.70	1.96	576.86
2. Birla Jute Supply Co. Ltd	0.03	95.09	0.02	3.89	–		0.01	3.89
3. Talavadi Cements Limited	0.26	850.59	0.18	39.04	–		0.13	39.04
4. Lok Cements Limited	(0.07)	(226.46)	(0.04)	(9.25)	–		(0.03)	(9.25)
5. Budge Budge Floor Coverings Ltd	0.06	186.43	–	0.89	(0.02)	(1.39)	–	(0.50)
6. M.P.Birla Group Services Pvt. Ltd	–	0.70	–	(0.14)	–		–	(0.14)
7. Birla Cement (Assam) Limited	–	3.30	–	(0.13)	–		–	(0.13)
Non–Controlling Interest in all Subsidiaries	–	2.76	–	0.79	–		–	0.79
Associates								
(Investment as per equity method)								
Indian								
1. Birla Readymix Pvt Ltd	–	–	–	(0.09)	–	–	–	(0.09)
2. Birla Odessa Industries Pvt Ltd	–	–	–	(0.10)	–	–	–	(0.10)
Consolidation adjustments	–	(2,26,233.48)	–	0.32	–	(0.01)	–	0.31
Total		**3,30,501.61**		**21,947.15**		**7,552.85**		**29,500.00**

[1]After elimination of Investment in Subsidiaries

65. Details of Specified Bank Notes held and transacted during the period 8th November 2016 to 30th December 2016 are provided as below:

Particulars	SBNs	Other	Total
Closing cash in hand as on 8th November 2016	30.90	4.01	34.91
Add: Permitted Receipts	0.10	86.68	86.78
Less: Permitted Payments	-	74.47	74.47
Less: Amount deposited in Banks	31.00	0.60	31.60
Closing cash in hand as on 30th December 2016	-	15.62	15.62

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2017 (Contd.)

(` in lacs)

66. The undermentioned associate companies have not commenced trading or manufacturing operations. The original cost of investment in the associates is ` 0.99 including goodwill ` 0.92 arising on acquisition of the same. The carrying amount of investment in associates is as under -

Associate Company	Share in Equity Capital (%)	Original Cost (a)	Goodwill (Included in cost)	Loss (b)	Carrying Amount of Investments (a - b)
Birla Odessa Industries Pvt. Ltd.	48.61	0.49	0.43	(0.49)	-
Birla Readymix Pvt. Ltd.	46.73	0.50	0.49	(0.50)	-
Total		**0.99**	**0.92**	**(0.99)**	**-**

67. 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.

68. Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

As per our Report annexed.
For **H. P. KHANDELWAL & CO.**
Chartered Accountants
Firm Registration No. 302050E

RAJIV SINGHI
Partner
Membership No. 053518
Kolkata, The 26th day of May, 2017

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

MARKETING:
CREATING VALUE & DRIVING GROWTH
"Cement Se Ghar Tak"

Perfect Cement flag-off ceremony.

Perfect Cement is now more Perfect

MP Birla Cement recently launched Perfect Cement in Lucknow & Bhopal.

Launching ceremony in Bhopal.

Perfect Cement launching ceremony in Lucknow.

After acquisition of 100% shares of Reliance Cement Company Private Limited, the Reliance Perfect Cement brand has been launched in an entirely new avatar as MP Birla Perfect Cement in the fast-growing market of Central India.

MARKETING:
CREATING VALUE & DRIVING GROWTH
“Cement Se Ghar Tak”

Inauguration of the Perfect Cement launching ceremony in Lucknow.

MP Birla Cement Brand Campaign

Through a 360-degree brand campaign in the electronic, digital and print media, titled ‘Cement Se Ghar Tak’, MP Birla Cement has positioned itself as a brand that engages with the customers on an emotional level and strengthens its bond with home-builders.

MARKETING:
CREATING VALUE & DRIVING GROWTH
"Cement Se Ghar Tak"

Launch of Concrecem & Multicem Cement

Two new-age cement brands, CONCRECEM (OPC 43 & 53 grades) and MULTICEM (fly ash-based PPC) were recently launched in Chanderia. Perfectly suited for commercial, industrial, infrastructural and real-estate projects, these maiden brands have been designed to provide the consumer with a combination of solution, service and product.

Concrecem-Multicem Cement launch in Chanderia.

New Cement Helpline

A unique on-call support system has been introduced by the Customer Support & Services (CSS) cell of MP Birla Cement (Cement Helpline: 8010 55 00 00) for dealers and consumers to offer practical suggestions and guidance on home building, construction practices and choice of the right cement. It also offers on-site supervision of work and prompt attention to complaints. Moreover, 50 on-site vans manned by experts have been deployed to provide detailed technical information about the quality of cement & concrete, and testing facilities at construction sites.

Perfect Cement on-site vans.

MARKETING:
CREATING VALUE & DRIVING GROWTH
"Cement Se Ghar Tak"

Buniyad:
Annual Dealers' Conference at Hyderabad, Lucknow, Udaipur and Kolkata

Birla Corporation Limited organized its first National Premium Channel Partners' Conference in Hyderabad, Lucknow, Udaipur and Kolkata.

Buniyad, Hyderabad.

Buniyad, Hyderabad.

Buniyad, Lucknow.

An exercise in building bonds and recognising achievements, the event flagged off an initiative that will help lead MP Birla Cement towards a more prosperous and fulfilling future.

Club Ultimate: MP Birla Cement Associates Club: A unique Customer Relationship Management (CRM) programme has been initiated to recognise the role of dealers. Benefits of Club Ultimate membership are offered through reward points.

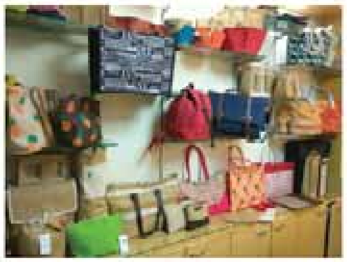
Members of the Club engage themselves in 'Rang Barse', a contest built around Holi, focusing on decoration of shops.

BCW GOLDEN JUBILEE AT CHANDERIA

Shri Harsh V Lodha, Chairman, MP Birla Group, delivering his address at the Birla Cement Works Golden Jubilee celebration.

The Golden Jubilee of Birla Cement Works, the second of the 10-member Cement Division of Birla Corporation Limited, was celebrated at Chanderia on 27 March, 2017. Shri Harsh V Lodha, Chairman, and members of the Board of Directors of the Company graced the occasion with their presence. Long-service awards were presented to 40 employees.

BCW Golden Jubilee community lunch.



Our eco-friendly textile products.

The Birla Jute Mills stall at the 'Textiles India 2017' exhibition at Gandhinagar. The exhibition was inaugurated by Shri Narendra Modi, Prime Minister of India.

OUR NEW JEWELS

State-of-the-art chemical laboratory at Butibori.

Cement plant at Butibori.

Cement plant at Kundanganj.

Cement plant at Maihar.

Shredded plastic waste is utilised as part of the fuel mix, substituting coal, to run the kiln at Satna Cement Works.

Rainwater harvesting at Kundanganj.

Rainwater harvesting at Durgapur.

Compost making initiative at Satna using vegetable waste.

"JOY OF GIVING"

To Society with Love

Daan Utsav Samman: Recognising Outstanding Contributions Towards The Joy of Giving

Birla Corporation Limited has associated itself with the noble venture of Daan Utsav, the nationwide drive to make a difference in people's lives, by honouring outstanding contributions by housing societies in Kolkata in the fields of Environment, Healthcare, Education and Community Welfare. Daan Utsav Samman was handed over to the recipients by Shri K N Tripathi, Governor of West Bengal, at a befitting ceremony.

Mass Marriage Ceremony at Dharmasthala

The MP Birla Group has been supporting the mass marriage ceremony at the Dharmasthala Manjunatheshwara Temple, in Karnataka, over the years. More than 100 couples entered into wedlock during the 46th Mass Marriage Ceremony this year. Nearly 12,029 couples have been married at the mass marriage ceremonies at Dharmasthala since 1972.

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 6726/6737/6738

97TH 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 97th Annual General Meeting of the Company to be held on Monday, the 31st day of July, 2017 at 10.30 a.m. at **Kalpataru Uttam Mancha**, 10/1/1, Monohar 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, Reports of the Directors and Auditors for the year ended 31st March, 2017; and b) Audited Consolidated Financial Statements for the year ended 31st March, 2017.
02.	Declaration of Dividend on Ordinary Shares.
03.	Re-appointment of Shri Harsh V. Lodha (DIN 00394094), who retires by rotation.
04.	Appointment of Auditors and fixation of their remuneration.
Special Business:	
	Ordinary Resolution:
05.	Ratification of Remuneration of the Cost Auditors of the Company.

Signed this .... day of 2017

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 97th Annual General Meeting.

(3) Please complete all details including details of member (s) in the above box before submission.

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 6726/6737/6738

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-SEVENTH ANNUAL GENERAL MEETING of the Company being held at **Kalpataru Uttam Mancha**, 10/1/1, Monohar Pukur Road, Kolkata- 700 026 on Monday, the 31st day of July, 2017 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 97th Annual General Meeting on Monday, the 31st July, 2017. 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

MP BIRLA GROUP

www.birlacorporation.com