



19th July, 2017

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai 400 001.
Tel.: 2272 1233/34
Fax: 022 2272 2039/3121
Scrip Code: 532538

The Manager
Listing Department
The National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Tel.: 26598236
Fax: 2659 8237 / 38.
Scrip Code: ULTRACEMCO

Sub: Submission of Annual Report for FY 2016-2017-Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2016-2017 duly approved and adopted by the Members of the Company at the Annual General Meeting held on 18th July, 2017.

The same is for your records, please.

Yours very truly,

A blue ink signature of S. K. Chatterjee.

S. K. Chatterjee
Company Secretary

Encl. a/a.



UltraTech Cement Limited

Registered Office : Ahura Centre, B - Wing, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093, India

T : +91 22 6691 7800 / 2926 7800 | F : +91 22 6692 8109 | W : www.ultratechcement.com / www.adityabirla.com | CIN : L26940MH2000PLC128420

ADITYA BIRLA



UltraTech Cement Limited

Registered Office: 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093

Tel No.: 022-66917800/29267800, Fax No.: 022-66928109, Website: www.ultratechcement.com

CIN: L26940MH2000PLC128420

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventeenth Annual General Meeting of UltraTech Cement Limited will be held at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400 025 on Tuesday, 18th July, 2017 at 3:30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2017 and the Reports of Directors' and Auditors' thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2017.
3. To appoint a Director in place of Mr. D. D. Rath (DIN: 00012575), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and 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 Company hereby ratifies the appointment of M/s. BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No.: 101248W/W-100022) as one of the Joint Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf".

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

"RESOLVED THAT pursuant to the provisions of Section 139 and 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 Company hereby ratifies the appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai (Registration No.: 105146W) as one of the Joint Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf".

SPECIAL BUSINESS:

6. 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 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 Cost Auditors viz. M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 be paid the remuneration as set out below:

- M/s. D. C. Dave & Co., Cost Accountants, Mumbai – ₹ 9,00,000/- (rupees nine lakhs only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad – ₹ 10,00,000/- (rupees ten lakhs only)

plus service tax as applicable and reimbursement of out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the forgoing and other applicable rules / regulations / guidelines and provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to offer or issue Redeemable Non-Convertible Debentures (“NCDs”), secured or unsecured in one or more series / tranches aggregating up to an amount not exceeding ₹ 9,000 crores (rupees nine thousand crores only) on a private placement basis,

during a period of one year from the date of passing this resolution, on such terms and conditions, as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to the Managing Director or Director(s) or any other Officer(s) of the Company or to any other person”.

By Order of the Board



S. K. Chatterjee
Company Secretary

Place : Mumbai

Date : 24th April, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE SEVENTEENTH ANNUAL GENERAL MEETING ("the Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON SHALL ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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.
3. If a person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
4. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid.
5. Corporate members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the meeting.
6. Proxy Form(s) and certified copy of Board resolution(s) authorising representative(s) to attend and vote at the meeting shall be sent to the registered office of the Company and addressed to the "Secretarial Department".
7. An Explanatory Statement pursuant to Section 102 of the Act in respect of Item nos. 4 to 7 of the Notice set out above, is annexed hereto. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") of person seeking re-appointment as Director is also annexed.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 12th July, 2017 to Tuesday, 18th July, 2017 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.

9. The dividend, as recommended by the Board, if approved at the meeting, will be paid on or after 19th July, 2017 to those Members or their mandates whose names are registered in the Company's Register of Members:
 - a) as Beneficial Owners as at the end of business on 11th July, 2017 as per the lists to be furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of the shares held in electronic form, and
 - b) as Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form which are lodged with the Company or its Registrar & Transfer Agent ("RTA") viz. Karvy Computershare Private Limited having their address at "Karvy Selenium", Tower B, Plot No. 31-32, Financial District, Gachibowli, Nanakramguda, Hyderabad – 500 032 on or before 11th July, 2017.Equity shares that may be allotted upon exercise of stock options granted under the Employee Stock Option Scheme – 2006 and Employee Stock Option Scheme - 2013 before the book closure date shall rank pari passu with the existing equity shares and shall also be entitled to receive the dividend, if approved at the Meeting.

10. Pursuant to the provisions of Section 124 of the Act, the Unpaid / Unclaimed dividend for the financial year 2008 – 2009 has been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

11. Pursuant to the provisions of Section 124(5) of the Act, dividend for the Financial Year 2009-2010 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of 7 years will be transferred to IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the financial year 2009-10 are requested to make their claim to the Secretarial Department at the Registered Office of the Company or the office of the RTA on or before 30th August, 2017 failing which the unpaid / unclaimed amount will be transferred to the IEPF.

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") in addition to the unpaid or unclaimed dividend which is required to be transferred by the Company to IEPF, equity shares relating to such unpaid / unclaimed dividend are also required to be transferred to an account viz. the IEPF Suspense Account.

Members are requested to take note of the aforesaid newly notified sections of the Act, and claim their unclaimed

dividends immediately to avoid transfer of the underlying shares to the IEPF Suspense Account.

Details of unpaid / unclaimed dividend is uploaded on the website of the Company and also on the website of the Ministry of Corporate Affairs, Government of India ("MCA") before transferring to IEPF. The Company provides opportunity to the shareholders to claim the unpaid / unclaimed dividend due to them, failing which shares (held either in physical or electronic mode) shall be transferred by the Company to IEPF Suspense Account.

Shareholders can however, claim both, the unclaimed dividend amount and the equity shares transferred to IEPF Suspense Account from the IEPF Authority by making an application in the manner specified under the IEPF Rules.

12. Pursuant to the provisions of Section 124 and 125 of the Act, and the IEPF Rules, as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Suspense Account after complying with the procedure laid down under the IEPF Rules.

The Company in compliance with the aforesaid IEPF Rules has sent individual notices to those shareholders whose shares are liable to be transferred to IEPF Suspense Account and has also published notice in the newspapers. The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the Company at www.ultratechcement.com. Shareholders are requested to verify the details of unclaimed dividends and the shares liable to be transferred to the IEPF Suspense Account.

13. a) Members are requested to notify immediately any change of address:
1. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
 2. to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz. electricity bill, telephone bill, ration card, voter ID card, passport etc.
- b) In case the mailing address mentioned on this Annual Report is without the PIN CODE, Members are requested to kindly inform their PIN CODE immediately.
14. Non-resident Indian Members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately:
- (a) the change in the residential status on return to India for permanent settlement;

- (b) the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

15. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DP ID number, as the case may be.
16. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the Members after making requisite changes thereon.
17. (a) Members are advised to avail of the facility for receipt of dividend through Electronic Clearing Service ("ECS"). The ECS facility is available at specified locations. Members holding shares in electronic form are requested to contact their respective DPs for availing ECS facility. Members holding shares in physical form are requested to download the ECS form from the website of the Company viz. www.ultratechcement.com and the same duly filled up and signed along with a photocopy of a cancelled cheque may be sent to the Company or its RTA.
- (b) Members who hold shares in electronic form and want to change / correct the bank account details should send the same immediately to their concerned DP and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by NSDL/CDSL to the Company.
- (c) The Listing Regulations specifies companies to use any of the approved electronic mode of payment facility viz ECS, NECS, NEFT or RTGS etc. for making payments to investors. The Company or its RTA is required to maintain bank details of their investors as follows:
- for investors holding securities in dematerialised mode, companies shall seek relevant bank details from the depositories.
 - for investors holding securities in physical mode, companies shall maintain updated bank details of the investors at their end.

(d) To avoid the incidence of fraudulent encashment of dividend warrants, Members are requested to intimate the Company under the signature of the Sole / First Joint holder, the following information, so that the bank account number and name and address of the bank can be printed on the dividend warrants:

- 1) Name of Sole / First Joint holder and folio number.
- 2) Particulars of bank account, viz.
 - i) Name of bank
 - ii) Name of branch
 - iii) Complete address of bank with PIN CODE
 - iv) Account type, whether Savings (SB) or Current Account (CA)
 - v) Bank Account Number

18. Depository System

The Company has entered into agreements with NSDL and CDSL. The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic

form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.

19. As per the provisions of Section 72 of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or its RTA or can download the form from the Company's website viz. www.ultratechcement.com. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
20. The Annual Report of the Company for the year 2016-17, circulated to the Members of the Company, is available on the Company's website viz. www.ultratechcement.com. The annual accounts of the Company's subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.
21. In terms of the Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares.
22. All documents referred to in the Notice will be available for inspection at the Company's Registered Office between 11:00 am and 1:00 pm up to 17th July, 2017 on all days (except Saturdays, Sundays and public holidays).
23. The route map of the venue of the Meeting is given in the Notice. A prominent landmark for the venue is near Siddhivinayak Temple in Prabhadevi.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item nos. 4 and 5

In terms of the provisions of Section 139(1) of the Companies Act, 2013 ("the Act"), the appointment of statutory auditors is subject to ratification by the Members of the Company at every Annual General Meeting ("AGM").

M/s. BSR & Co. LLP ("BSR"), Chartered Accountants, Mumbai were appointed as one of the Joint Statutory Auditors of the Company at the 15th AGM held on 28th August, 2015 to hold office from the conclusion of the 15th AGM until the conclusion of the 20th AGM of the Company to be held in 2020. In terms of the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the Members at every AGM. Accordingly, ratification of the Members is being sought for appointment of BSR in the resolution set out at item no. 4 of this Notice.

M/s. Khimji Kunverji & Co., ("KKC") Chartered Accountants, Mumbai were appointed as one of the Joint Statutory Auditors of the Company at the 16th AGM held on 19th July, 2016 to hold office from the conclusion of the 16th AGM until the conclusion of the 21st AGM of the Company to be held in 2021. In terms of the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the Members at every AGM. Accordingly, ratification of the Members is being sought for appointment of KKC in the resolution set out at item no. 5 of this Notice.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 4 and 5 of this Notice is accordingly commended for your approval.

Item no. 6

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 on the following remuneration:

- M/s. D. C. Dave & Co., Cost Accountants, Mumbai - ₹ 9,00,000/- (rupees nine lakhs only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad - ₹ 10,00,000/- (rupees ten lakhs only)

plus service tax as applicable and reimbursement of out-of-pocket expenses.

In terms of the provisions of Section 148 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 Members of the Company.

Accordingly, consent of the Members is sought for passing the resolution as set out in item no. 6 of this Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The resolution as set out in item no. 6 of this Notice is accordingly commended for your approval.

Item no. 7

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) requires any offer or invitation for subscription of redeemable Non-Convertible Debentures ("NCDs") and its issuance on private placement basis to be approved by the Members by way of a special resolution. The Rules provides that the said special resolution must be passed in respect of all offers / invitation for the NCDs to be issued during a year.

In order to augment resources for, inter alia, the ongoing capital expenditure and / or refinancing / repayment / prepayment of existing loans and / or for general corporate purposes, the Company may offer or invite subscription for secured / unsecured redeemable NCDs, in one or more series / tranches on private placement basis, issuable / redeemable at discount / par / premium.

Accordingly, the approval of the Members is being sought by way of a special resolution as set out in Item no. 7 of this Notice authorising the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) of the Company to issue up to an amount not exceeding ₹ 9,000 crores (rupees nine thousand crores only) on a private placement basis, at a discount or at par or at a premium and at such interest rate as may be appropriate considering the prevailing money market conditions at the time of issuance, during a period of one year from the date of passing of this resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution.

The resolution as set out in item no. 7 of this Notice is accordingly commended for your approval.

By Order of the Board



S. K. Chatterjee
Company Secretary

Place : Mumbai

Date : 24th April, 2017

Disclosure relating to Director pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings:

Name of Director	Mr. D. D. Rathi
Brief resume	D. D. Rathi is a Chartered Accountant. He was the Whole-time Director and Chief Financial Officer of Grasim Industries Limited. He has worked for over 2 decades with the Aditya Birla Group in a various capacities. He has contributed towards restructuring, financial re-engineering, resource mobilisation and shareholder value creation.
Date of Birth / Age	11 th January, 1947 / 70 years
Date of First Appointment	6 th July, 2004
Expertise in specific functional area	Company Executive
Qualification	B. Com. FCA
Shareholding in the Company	2,515
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None
No. of Board meetings attended during FY17	7
Names of other public limited companies in which directorships held	Nil
Chairman / Member of the Committee of Directors of other public limited companies in which he is a Director:	
a) Audit Committee	Nil
b) Stakeholders Relationship Committee	Nil

Note: Pursuant to Regulation 26 of the Listing Regulations, only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered.

Instructions for Remote e-voting

1. 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 by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business to be transacted through e-voting services arranged by Karvy Computershare Private Limited ("Karvy"). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").
2. The facility for voting through electronic voting system or polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.
3. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Saturday, 15th July, 2017 (9:00 a.m. IST) and ends on Monday, 17th July, 2017 (5:00 p.m. IST). During this period, Members of the Company may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):

- (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- (ii) Enter the login credentials (i.e. User ID and Password mentioned above). Your Folio No./DPID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iii) After entering these details appropriately, Click on "LOGIN".
- (iv) You will now reach password change Menu where in you are required to mandatorily change your password. The new password shall comprise of

minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVENT" i.e., UltraTech Cement Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: ultratechevoting@karvy.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENTNO."

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email IDs are not registered with the Company/ Depository Participant or requesting physical copy)

1. Initial Password is provided, as below, at the bottom of the Attendance Slip for the AGM.

User ID	Password/PIN
-	-

2. Please follow all steps from Sr. No. (i) to Sr. No. (xii) above in (A), to cast your vote.

C. Other Instructions:

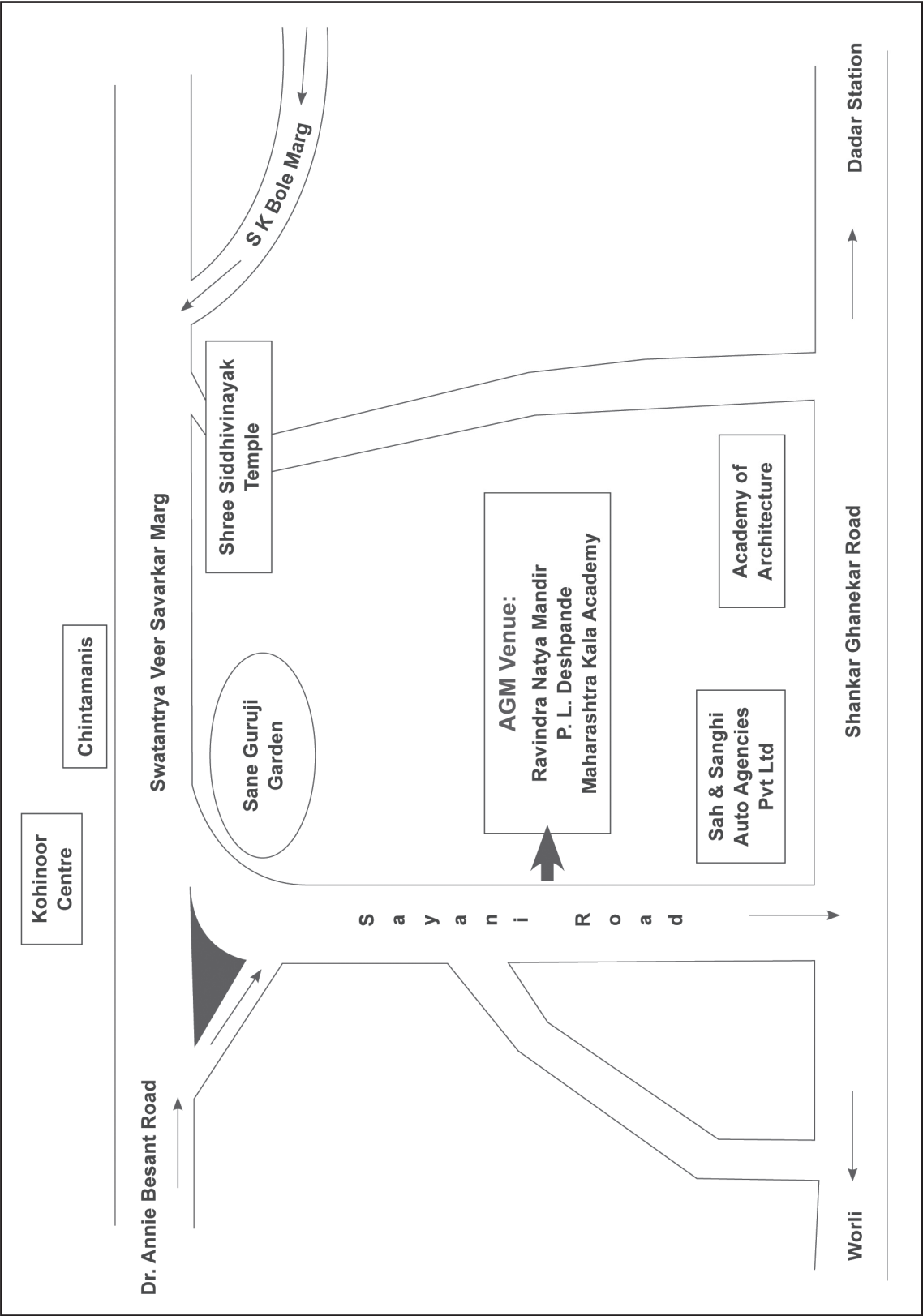
- I. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 11th July, 2017.
- II. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the 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 AGM.
- III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Tuesday, 11th July, 2017 may obtain the User ID and Password in the manner as mentioned below:
- a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399
- Example for NSDL: MYEPWD <SPACE> XXXXIN12345612345678
- Example for CDSL: MYEPWD <SPACE> XXXX1402345612345678
- Example for Physical: MYEPWD <SPACE> XXXX1234567890
- b. If e-mail address of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click

‘Forgot password’ and enter Folio No. or DP ID Client ID and PAN to generate a password.

- c. Members may call Karvy’s toll free number 1-800-3454-001.
- d. Members may send an e-mail request to: evoting@karvy.com. If the Member is already registered with the Karvy e-voting platform then such Member can use his/her existing User ID and password for casting the vote through remote e-voting.

- IV. The Board of Directors has appointed Mr. B. Narasimhan, Company Secretary of M/s. B. N. & Associates, Company Secretaries as a Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- V. At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer order voting for all those Members who are present but have not cast their vote electronically using the remote e-voting facility.
- VI. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in employment of the Company, and make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- VII. The results declared along with the Scrutinizer’s report shall be placed on the Company’s website www.ultratechcement.com and on the website of Karvy www.evoting.karvy.com immediately after the result declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- VIII. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy’s website www.evoting.karvy.com.

Route map to the venue of the Annual General Meeting





UltraTech Cement Limited

Registered Office: 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093
Tel No.: 022-66917800/29267800, Fax No.: 022-66928109, Website: www.ultratechcement.com
CIN: L26940MH2000PLC128420

Form No. MGT – 11

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 and Client ID:

I/We, being the Member(s) of Shares of the above named Company, hereby appoint

1. Name: E-Mail ID:

Address

Signature or failing him/her

2. Name: E-Mail ID:

Address

Signature or failing him/her

3. Name: E-Mail ID:

Address

Signature or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 17th Annual General Meeting, to be held on Tuesday, 18th July, 2017 at 3:30 p.m. at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400 025 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For*	Against*
1.	Adoption of the Audited Financial Statements (including audited consolidated financial statements) for the financial year ended 31 st March, 2017, the Reports of the Directors' and Auditors' thereon.		
2.	Declaration of Dividend.		
3.	Re-appointment of Mr. D. D. Rathi, Director retiring by rotation.		

Resolution No.	Description	For*	Against*
4.	Ratification of appointment of M/s. BSR & Co. LLP, Chartered Accountants, Mumbai as Joint Statutory Auditors of the Company.		
5.	Ratification of appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai as Joint Statutory Auditors of the Company.		
6.	Ratification of the remuneration of the Cost Auditors viz. M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad for the financial year ending 31 st March, 2018.		
7.	Issue of Non-convertible Redeemable Debentures on private placement basis up to an amount of ₹ 9,000 crores.		

Signed this day of 2017

Affix a
Re. 1/-
Revenue
Stamp

.....
Signature of Shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

*Please put a (✓) in the appropriate column against the resolution as indicated in the box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten 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 person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



ANNUAL REPORT

2016-17

UltraTech Cement Limited



BIG ON MILESTONES



Mr. Aditya Vikram Birla

We live by his values.

Integrity, Commitment, Passion, Seamlessness and Speed.



THE CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder,

Global Economy

The global economy continued to be subdued in 2016. The slowdown in the advanced economies of the West adversely impacted growth levels, resulting in the slowing of the world economic growth to 3.1% from 3.4% in the earlier year. The growth in emerging markets and developing economies was encouraging. However, China and India experienced a deceleration. Financial markets reflected a broad uptrend, notwithstanding Brexit and the rate hikes by the US Fed.

Recent data reveals that the global economy is gaining momentum. PMIs (Purchasing Managers' Indexes), accelerating trade flows and better business and consumer confidence are the key pointers. The IMF has projected global growth to notch up to 3.5% in 2017 from 3.1% last year. Growth in the advanced economies is estimated at 2%, with US growth at 2.3%, the Euro area at 1.7% and Japan at 1.2%. Growth in the emerging markets is pegged at 4.5%, driven largely by China, India and the ASEAN region. Latin America is expected to grow only 1.1%, affected by the weak trend in Brazil.

India is on a roll. There is a buzz about India.....
India's global ranking has jumped up in competitiveness and on the innovation index.

Indian Economy

India is on a roll. There is a buzz about India, as it blazes forth as the fastest growing economy in the world at 7.1%. The trade deficit in 2016-17 was USD 106 billion, lower by 11% over the previous year. The current account deficit has been significantly pared. India's foreign exchange reserves as at March end 2017 were USD 370 billion. Investors are bullish. Foreign investment flows, which were at over USD 60 billion in FY-17 are scaling new records. Markets are buoyant. Stock index is at a historic peak. India's global ranking has jumped up in competitiveness and on the innovation index.

The various initiatives and reforms of the Modi Government have built the platform for a quantum leap ahead. High impact national projects, coming to grips with structural issues, which were holding back the country's progress, innovative approaches in policy making – have collectively contributed in driving India on a high growth trajectory. Going forward the abiding sense is one of immense optimism and confidence in the future with the nation slated to grow at 7.5% to 8%. India's narrative is unmatched.

That said, if there is one subject that needs greater attention on the government's radar for the ensuing years, it is the revival of investment activity and creation of quality jobs in large measure. The Government is seized of these issues. The Government has taken many steps, including a sharp focus on improving ease of doing business, speeding of green clearances and stepping up public sector outlays for infrastructure. I believe, it is a matter of time before the private sector investments pick up – as NPAs are resolved and corporate balance sheets are deleveraged.

Your Company's Performance

In the first half of the year, the cement industry saw moderate growth. Subsequently, sluggish demand from the housing segment coupled with the absence of private sector capital expenditure, impacted cement demand.

Against this backdrop, during 2016-17 your Company recorded net revenues of US\$ 3.78 billion (₹ 25,375 crores) and EBITDA of US\$ 0.873 billion (₹ 5,861 crores) a rise of 9%.

During the year, your Company marked major milestones. First, your Directors approved a Scheme of Arrangement between Jaiprakash Associates Limited (JAL) and Jaypee Cement Corporation Limited (JCCL) wholly-owned subsidiary of JAL for the acquisition of some of its cement plants located in Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh of a total capacity of 21.20 mtpa, which your Company is acquiring at an enterprise value of ₹ 16,189 crores.

The Scheme has been approved by the shareholders and creditors of your Company, the Competition Commission of India, the National Company Law Tribunal and the Securities and Exchange Board of India. A joint application for the transfer of mineral concessions from JAL and JCCL to your Company has been made with the respective State Government offices. After receiving these, the process will move forward.

This move is essentially for geographic market expansion, which will lead to your Company's entry into high growth markets of India. The operations will be strengthened by the consequent technological upgradation and enhancement in capacity, post acquisition. It will lead to creating synergies in manufacturing, distribution and logistics. As a result, advantages such as economies of scale and reduced lead time to markets, will be achieved. These will enhance competitiveness, benefit consumers, and, in turn, create value for shareholders with the acquisition of ready-to-use assets. We expect the transaction to be consummated by the first quarter of FY18.

Furthermore, your Company has commissioned cement grinding units at Jhajjar in Haryana, Dankuni in West Bengal and Pataliputra in Bihar. A cement bulk terminal went on stream at Pune in Maharashtra. With the commissioning of these assets, your Company's cement capacity in India now stands at 66.3 MTPA.

During 2016-17 your Company recorded net revenues of US\$ 3.78 billion (₹ 25,375 crores) and EBITDA of US\$ 0.873 billion (₹ 5,861 crores) a rise of 9%.

Consequent to this expansion and the acquisition of the cement plants of JAL and JCCL, your Company's cement capacity will stand augmented to 95.3 mtpa, including its overseas operations.

To reduce lead distance and to service the markets of south-west Madhya Pradesh, your Company will be setting up a 3.5 mtpa integrated cement plant at Dhar, MP and at a capex of ₹ 2,600 crores. Its commercial production is expected to commence by Q4FY19.

Consequent to this expansion and the acquisition of the cement plants of JAL and JCCL, your Company's cement capacity will stand augmented to 95.3 mtpa, including its overseas operations.

It is with great pride that I record, that UltraTech is the largest cement player in India and the fifth largest on the world stage.

As I look ahead, I feel optimistic. India, as we are aware, is moving on to a higher growth track. The Government's thrust on infrastructure development, housing, interest rate subvention scheme on housing loans, the development of smart cities, among other projects, beam a good signal to the cement sector. I expect UltraTech to perform well.

A big thank you to all of our employees

Organisational agility, excellence in execution, customer centricity and cost optimization are a given. I believe to drive business growth in a sustainable manner, the criticality of our people – our intellectual capital, is beyond expression. We deeply value our employees' engagement and their commitment to our culture of innovation and performance accountability.

Aditya Birla Group: In perspective

At the Group level our performance both in terms of revenue and earnings has been growing. In fact our EBIDTA has been the highest ever. In line with our people focus, we have strengthened the capacity of our leadership bench as well as employees across levels. Our Group's HR agenda is even more sharper and defining of our future. Our HR function has collectively developed and clearly articulated the HR 2020 strategy across the organization. It has clear actionables and review mechanisms, focused on talent, technology, productivity and employer brand.

On the people front it has truly been an exciting year of development, building on the strong foundations of the earlier years.

As I had shared with you earlier, we have 3 accelerated leadership programs. First - The Turning Point, which prepares high potential leaders for P&L roles.

Second - Step Up which infuses a ready pipeline for Functional Head roles, and

Third - Springboard designed especially for high caliber women leaders.

These have enabled us set up the requisite bench strength of leaders.

We have prepared 123 leaders for higher responsibilities, over the last one year. Of this 26 have already taken on new roles. The Business leadership and I have personally reviewed talent across the business, and am happy to see the evolution of our structured succession plans.

The hiring freeze came into effect in January 2016. This, coupled with our leadership development actions, has resulted in extremely encouraging people moves. Over the last year, we witnessed 5,500+ career movements across the Group. Of these, 600+ were inter-business movements, 150% higher than the previous year.

The Aditya Birla Group Leadership Program (ABGLP) is another strong source of building leaders. It has gained greater traction this year with 67% higher intake. From the earlier batches, 95 participants, have over the last 2 years, been given cross business and function exposures grooming them for a holistic perspective. I am happy to share that we continue to be an employer of choice amongst the top B schools in India. Our Group features among the formidable Top-5 in the A C Nielsen – CRI Campus Recruitment India Index 2016 as well.

Additionally to accelerate opportunities for our talent we have set up Talent Councils led by Business Heads and Directors at the business and Group levels. Up until now more than a 100 Talent Councils meetings have happened across the Group where the development plans of approximately 3,000 colleagues have been discussed and actions taken.

We have prepared 123 leaders for higher responsibilities, over the last one year. Of this 26 have already taken on new roles. The Business leadership and I have personally reviewed talent across the business, and am happy to see the evolution of our structured succession plans.

Our Group's solid reputation, robust financials, the quality and commitment of our talent, our leadership positions in our businesses, our operational excellence and our CSR engagement, are our strengths that I believe, will see us ride the wave of success.

Project Vega is yet another initiative launched this year. Its basic objective is to review the agility of decision making in the organization, keeping in view end-customer impact. This has yielded significant changes to internal processes, delegation of authority and speed of decision making, in turn empowering teams and freeing up leadership bandwidth. This, along with our focus on technology enabled processes, I believe, will keep us sharp and nimble.

Furthermore, to hone and enhance our functional expertise, Gyanodaya, the Aditya Birla Global Centre for Leadership & Learning, launched Functional Academies last year. The Sales, Marketing & Customer Centricity Academy and HR Academy enabled 1,150 leaders build deeper expertise in their domain areas. Gyanodaya continues to deliver superior learning programs with over 1,583 managers enrolled last year.

Additionally, the Gyanodaya Virtual Campus hosts more than 500 e-learning modules in multiple languages. During the year, over 31,664 employees accessed these e-learning programs. I am happy to update you that we are doubling our capacity in Gyanodaya, through upcoming expansion plans.

In sum,

Our Group's solid reputation, robust financials, the quality and commitment of our talent, our leadership positions in our businesses, our operational excellence and our CSR engagement, are our strengths that I believe, will see us ride the wave of success.

Yours sincerely,



Kumar Mangalam Birla

BOARD OF DIRECTORS

Kumar Mangalam Birla
Chairman

Mrs. Rajashree Birla
Non-Executive Director

Arun Adhikari
Independent Director

Mrs. Alka Bharucha
Independent Director

G. M. Dave
Independent Director

Mrs. Sukanya Kripalu
Independent Director

S. B. Mathur
Independent Director

O. P. Puranmalka
Non-Executive Director

Mrs. Renuka Ramnath
Independent Director

D. D. Rathi
Non-Executive Director

K. K. Maheshwari
Managing Director

Atul Daga
Whole-time Director & CFO

COMMITTEES OF THE BOARD

Audit:

S. B. Mathur
Mrs. Alka Bharucha
G. M. Dave
Mrs. Renuka Ramnath
D. D. Rathi

Corporate Social Responsibility:

Mrs. Rajashree Birla
G. M. Dave
K. K. Maheshwari
O. P. Puranmalka

Nomination Remuneration & Compensation:

G. M. Dave
Arun Adhikari
Kumar Mangalam Birla

Stakeholder Relationship:

D. D. Rathi
Mrs. Sukanya Kripalu
S. B. Mathur

Finance:

D. D. Rathi
Arun Adhikari
Mrs. Alka Bharucha

Risk Management:

K. K. Maheshwari
Atul Daga
K. C. Jhanwar

Executives:

K. C. Jhanwar
*Deputy Managing Director &
Chief Manufacturing Officer*

Sunil Kulwal
CEO – White Cement

Ramesh Mitragotri
Chief Human Resource Officer

Vivek Agrawal
*Group Executive President &
Chief Marketing Officer*

Pramod Rajgaria
President – International Operations

Paresh Thacker
General Counsel

Sanjay Mathur
*CEO – Ready Mix Concrete,
Key Accounts and Aggregates*

Company Secretary:

S. K. Chatterjee

Statutory Auditors:

BSR & Co. LLP,
Chartered Accountants, Mumbai

Khimji Kunverji & Co.,
Chartered Accountants, Mumbai

Cost Auditors:

D. C. Dave & Co.,
Cost Accountants, Mumbai

N. D. Birla & Co.,
Cost Accountants, Ahmedabad

Secretarial Auditor:

BNP & Associates,
Company Secretaries, Mumbai

Solicitors:

Cyril Amarchand Mangaldas,
Advocates & Solicitors, Mumbai

Registrar & Transfer Agent:

Karvy Computershare Private Limited,
Hyderabad

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Registered Office

'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093.
Tel: (022) 6691 7800/2926 7800 Fax: (022) 6692 8109. Website: www.ultratechcement.com / www.adityabirla.com
CIN: L26940MH2000PLC128420

Registrar & Transfer Agent

Karvy Computershare Private Limited. "Karvy Selenium", Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda, Hyderabad-500032.
Tel: +91 40 6716 2222 Fax: +91 40 2342 0814



Vision

To be
The Leader
in
Building Solutions



Mission

To deliver superior value
to stakeholders
on the four pillars of
Sustainability
Customer Centricity
Innovation
and
Team Empowerment



Our Vision

To be The Leader in Building Solutions

What do we mean by being The Leader?



What do we mean by Building Solutions?

The preferred partner for any construction needs



What powers us





Our Mission

To deliver superior value to our stakeholders on the four pillars of Sustainability, Customer Centricity, Innovation and Team Empowerment

Our Stakeholders



Our engagement approach

Our business is intricately linked to our stakeholders. The stakeholder engagement circle is a 360-degree inclusive approach to involve all stakeholders that affect our business. Our engagement process is governed by the following essentials

Informative

Disclose key information honestly and in a timely manner

Descriptive

Communicate comprehensively to provide a holistic picture

Interactive

Identify stakeholder concerns through regular feedback and set priorities accordingly

Collaborative

Encourage active collaborations with stakeholders to get an external viewpoint

Proactive

Identify and address concerns before they escalate in severity

Inclusive

Ensure that every stakeholder feels a part of the Company's progress



Sustainability



Sustainability @ UltraTech



Our Sustainability Vision

Sustainability is an integral part of our business. Guided by our values, we are committed to grow our business responsibly by understanding global and local trends with respect to the community and environment



Highlights

- Our Waste Heat Recovery Systems accounted for 8% of our power capacity
- This represented the potential to moderate coal consumption by 250,000 tonnes per annum
- Nearly 44% of our water requirement was addressed through recycling and rain water harvesting
- 145,573 metric tonne of waste material was used as a fossil fuel substitute, equivalent to 2.13% of thermal substitution
- 79,060 tonnes of non-recyclable waste plastics was co-processed safely in kilns in FY 17
- Energy consumption was moderated through process optimisation and equipment upgradation
- Indian Climate Disclosure Leadership Index indicated a score of 95
- There is an ongoing focus to reduce the clinker factor through the use of supplementary mineral additives and cementitious material



CSR at UltraTech

407 villages	13 states	54 model villages	1.3 million people



WHRS: A solution for the future



UltraTech is a responsible environment-protecting corporate citizen.

Over the years, our environment commitment has extended beyond the mandatory to the forward-looking.

We are one of the earliest proponents of waste heat recovery, alternative fuels and other progressive environment practices among cement manufacturers in India. UltraTech embarked on a number of voluntary initiatives to moderate the impact of its operations on the ecology and environment. Besides, UltraTech graduated to publish emissions data and set environment performance targets in line

with its membership of the global Cement Sustainability Initiative.

One of our principal initiatives was in the substitution of fossil fuels with cleaner alternatives. We were one of the first within its sector to embrace the waste heat recovery system (WHRS). Waste heat recovery has proved to be the cheapest energy source in addition to moderating the carbon footprint.

This energy form has enhanced our energy security (accounting for 20% of its power needs), competitiveness and regulatory compliance (use minimum 5-10% renewable/WHR energy).

UltraTech has commissioned waste heat recovery systems at Rawan Cement Works (Chhattisgarh), Awarpur Cement Works (Maharashtra), Rajashree Cement Works (Karnataka) and Aditya Cement Works (Rajasthan). We have also commissioned a 3.5 MW waste heat recovery plant in Andhra Pradesh Cement Works, Tadipatri.

The result is that UltraTech, with an aggregate capacity of about 59 MW, has emerged as a waste heat recovery systems leader in India's cement sector. Going ahead, we will incorporate waste heat recovery into our design for all our proposed cement manufacturing facilities.



Customer-Centricity



At UltraTech, customer centricity starts with a deep understanding of the needs of our consumers, customers and influencers.

At UltraTech, we take this understanding ahead by predicting their emerging needs, which enables us to provide solutions for tomorrow's needs today.

Our three principles of Customer-Centricity

Shift from providing products and services to delivering solutions and experiences

Respond today to what customers will want tomorrow

Invite ideas and actions for customer delight from all employees and partners, and not just from one function or one team



Collective Future Towards Building Beautiful

Engaging with technocrats for a 'smart tomorrow'

India Next is India's first competition that attracted engineers and architects (professionals and students) to propose ideas and solutions that would help bridge the country's urban and rural problems.

The solutions focus on an improved 'collective' future in line with the government's vision of a grand, beautiful and powerful India.

India Next is designed to provide engineers and architects a platform to showcase their vision of a Smart Society, a Beautiful Society.

India Next engages builders of India to make a prudent use of technology, people and resources to transform the urban and rural landscapes.

Entries were rigorously screened by 16 eminent jury members from across the country; 17 concepts were awarded at the grand ceremony attended by renowned engineers, architects, Smart Cities' commissioners and eminent personalities.



Build Beautiful with Design Wall

At UltraTech, we do not market concepts and products for actual users; we market to engineers and architects as well.

The result is that we engage periodically with this powerful constituency with the objective to derive an understanding of their creative inspiration and ongoing sectoral trends. UltraTech's Design Wall initiative at AceTech exhibition showcased, promoted and fostered the latest technologies in construction, architecture and design industry.

As part of our Build Beautiful campaign, we engaged with leading architects and engineers at the Design Wall. Under the

theme 'You Create the Future - Build Beautiful', participants were asked to redesign the unplanned, clustered cityscape of Mumbai on our wall through the placement of square blocks on the canvas, while preserving the city's heritage. An acrylic heart was installed for architects and engineers to pour concrete into; they were asked to articulate how concrete lies at the heart of all impressionable structures. This served as a platform for technocrats to engage with 'Building Beautiful' and enter into a dialogue on construction and related practices.





Innovation



Aditya Birla Science & Technology Centre

Innovation represents the fountainhead of leadership.

In line with this, UltraTech seeded a learning culture marked by continuous improvement in the area of product development. As a long-term direction, , UltraTech is focusing on the development of cement grades and related products that are environment-friendly and also help customers mitigate climate change.

At UltraTech, innovation is about the

continuous research and development into cutting-edge products and processes that provide differentiated solutions. For instance, UltraTech was one of the first to embrace digitisation. Our user-friendly apps for individual home builders and masons are well-established. We were the first to commission mobile concrete labs, enhancing customer convenience.

In line with increasing mechanisation and developments in the area of construction

technologies, UltraTech developed new products and solutions to address the growing need for sophisticated infrastructure applications in high-rise structures, metro projects, flyovers, roads and the retail segment.

As a result, our innovation programme ensures enhanced value for our customers and stakeholders.



One-Stop Shop for Building Solutions



An innovative retail store format

UltraTech Building Solutions (UBS) stands for a novel way of doing things in India's conventional construction industry.

UBS designed the convenient 'plan, build and support' solution to offer one-stop home-building solutions - from planning to completion.

At UltraTech, UBS is a franchise-driven model that caters to the building and construction needs of the individual home builder and construction fraternity.

UBS retail outlets offer a range of construction products and value-added services. These comprise technical advice

during construction, construction cost calculation, vastu consultancy, product training and technical meets for customers.

UBS graduates the shopping experience of customers; it strengthens existing trade partnerships by enhancing quality and customer service.



Team Empowerment



A WORLD OF
OPPORTUNITIES



One of the key drivers of our growth is our people. Empowering people forms one of our pillars for building leadership capability for the future. Our organisational processes enable empowerment with responsibility to make informed choices and decisions, and work on continuous improvement for making a difference to the customer and society.

Change initiatives like iTransform, iOutPerform and 'Faster, Better, More with Less' have created platforms for employees across levels to participate in co-creating approaches that improve business and in taking ownership to drive change. The initiatives around customer centricity have generated many ideas from across the organisation that have improved customer experience.



People-Powered Growth



Extending Opportunities to Employees

UltraTech's significant presence across geographies provides diverse career opportunities to employees. Keeping in mind the organisation's growing need for talent and employee aspirations, identifying and developing talent to take on challenging roles is a continuous process.

Platforms accessible to employees are provided for creating awareness of available opportunities and encouraging them to make informed career choices. Enabling processes for relocation and settling-in reinforces the process for employees to work across geographies.

Nurturing leadership

Empowering our best talent with stimuli to climb the leadership ladder is a continuous pursuit. In line with our adopted '2x2x2' philosophy for talent growth, we provide exposure and experience across two businesses, two functions and two geographies for a broader business understanding and well-rounded leadership

preparedness for growth. Programs such as 'Step Ahead', 'Front Step', 'Next Step' and 'L.I.F.E' (Learning Initiative For Engineers) were introduced to build capabilities at 'first level managers' and 'feet on street' employees across the Sales, Technical & Customer Service roles.

Sharing is Empowering

Knowledge grows when shared. This is the maxim on which our knowledge and skill transfer program Margdarshan is built. This program builds young professionals to learn skills and knowledge insights in technical areas from veterans within the company in that field. We have over 800 Engineers and 300 'Gurus' and their numbers are growing. Our experience of the program shows that the employees undergoing Margdarshan displayed an increase in technical subject knowledge, problem-solving capability, decision-making and analytical ability, empowering them to shoulder increasing responsibilities with minimal supervision, thereby cutting the time it takes to practice and gain experience.

FINANCIAL HIGHLIGHTS

Particulars	Units	2016-17 [#]	2015-16 [#]	2014-15
PRODUCTION (Quantity)				
- Clinker	Mn.T	37.10	37.07	35.69
- Cement	Mn.T	47.91	47.56	43.88
SALES (Quantity)	Mn.T	48.87	47.96	44.85
PROFIT & LOSS ACCOUNT				
Gross Sales Including Other Operating Income	₹ Crs	27,162	26,947	25,990
Operating Expenses	₹ Crs	18,922	19,082	18,732
Excise duty	₹ Crs	3,271	3,238	3,063
Operating Profit	₹ Crs	4,969	4,627	4,195
Other Income	₹ Crs	660	481	372
EBITDA	₹ Crs	5,629	5,107	4,567
Depreciation / Amortisation	₹ Crs	1,268	1,297	1,133
EBIT	₹ Crs	4,361	3,810	3,434
Interest	₹ Crs	571	512	547
Profit Before Tax	₹ Crs	3,790	3,299	2,887
Exceptional items Gain / (Loss)	₹ Crs	(14)	-	-
Profit after Exceptional items	₹ Crs	3,776	3,299	2,887
Tax Expenses	₹ Crs	1,148	928	872
Net Profit	₹ Crs	2,628	2,370	2,015
Cash Profit	₹ Crs	4,251	3,972	3,523
Dividend (incl. Dividend distribution tax)	₹ Crs	330	314	297
BALANCE SHEET				
Net Fixed Assets including CWIP & Capital Advances	₹ Crs	24,387	24,499	23,632
Investments (includes non-current, current & bank deposits)	₹ Crs	9,409	7,793	5,209
Net Working Capital	₹ Crs	(956)	(574)	223
Derivative Assets (Net)	₹ Crs	115	595	-
Capital Employed	₹ Crs	32,955	32,313	29,064
Net Worth represented by:-				
Equity Share Capital	₹ Crs	275	274	274
Reserves & Surplus	₹ Crs	23,667	21,357	18,583
Net Worth	₹ Crs	23,941	21,632	18,858
Loan Funds *	₹ Crs	6,240	8,250	7,414
Deferred Tax Liabilities	₹ Crs	2,774	2,432	2,792
Capital Employed	₹ Crs	32,955	32,313	29,064
RATIOS & STATISTICS				
EBITDA Margin	%	24%	22%	20%
Net Margin	%	11%	10%	9%
Interest Cover (EBITDA / Gross Interest)	Times	9.71	9.69	7.76
ROCE (PBIT / Average Capital Employed)	%	13%	12%	12%
Current Ratio	Times	0.85	0.90	1.04
Debt Equity Ratio (Net)	Times	(0.10)	0.05	0.16
Dividend per share	₹ / Share	10.00	9.50	9.00
Dividend Payout on Net Profit	%	13%	13%	15%
EPS	₹ / Share	95.74	86.37	73.44
Cash EPS	₹ / Share	154.88	144.74	128.41
Book Value per share	₹ / Share	872	788	687
No.of Equity Shares	Nos. Crs	27.45	27.44	27.44

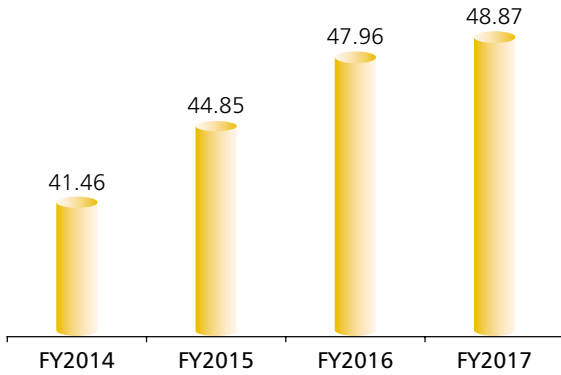
* Short Term Borrowings and Current maturities of Long Term debts have been included in Loan Funds. Current maturities of Long Term debts have been excluded from Current Liabilities.

Based on IndAs Financials and remaining Financial figures are as per IGAAP

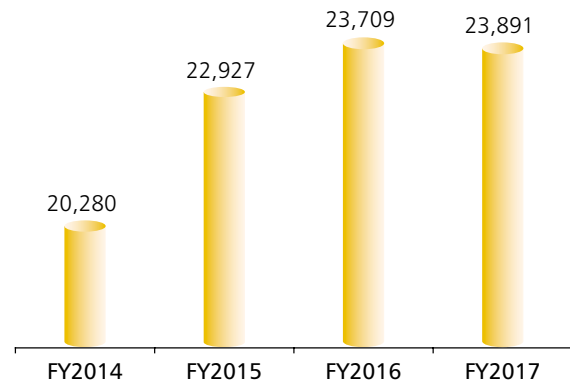
2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
31.52	31.75	31.31	26.75	15.55	15.07	14.35
40.79	40.13	39.43	32.92	17.64	15.87	15.07
41.46	40.66	40.74	34.78	20.23	18.18	17.11
23,005	22,862	20,577	14,961	7,729	7,160	6,286
16,462	15,504	14,162	10,646	5,078	4,679	3,783
2,725	2,682	2,267	1,649	679	777	777
3,818	4,675	4,147	2,666	1,972	1,704	1,726
329	305	372	155	122	106	101
4,147	4,980	4,519	2,822	2,094	1,810	1,827
1,052	945	903	766	388	323	237
3,095	4,035	3,617	2,056	1,706	1,487	1,589
319	210	224	273	118	126	82
2,776	3,825	3,393	1,783	1,588	1,361	1,507
-	-	-	-	-	-	-
2,776	3,825	3,393	1,783	1,588	1,361	1,507
631	1,170	947	379	495	384	499
2,144	2,655	2,446	1,404	1,093	977	1,008
3,269	3,765	3,356	2,167	1,589	1,481	1,228
289	289	255	191	87	73	73
18,650	17,415	14,798	12,506	5,201	5,313	4,784
5,392	5,109	3,789	3,730	1,670	1,035	171
551	25	164	305	173	119	25
-	-	-	-	-	-	-
24,593	22,549	18,750	16,541	7,044	6,467	4,980
274	274	274	274	124	124	124
16,823	14,961	12,586	10,392	4,484	3,478	2,572
17,098	15,235	12,860	10,666	4,609	3,602	2,696
5,199	5,409	4,153	4,145	1,605	2,142	1,741
2,296	1,906	1,738	1,730	831	723	542
24,593	22,549	18,750	16,541	7,044	6,467	4,979
21%	25%	25%	21%	30%	28%	33%
11%	13%	13%	11%	16%	15%	18%
10.46	15.09	17.27	10.24	15.38	14.66	19.94
13%	20%	20%	16%	25%	26%	36%
1.11	1.01	1.04	1.09	1.13	1.09	1.02
0.02	0.05	0.05	0.06	(0.003)	0.32	0.59
9.00	9.00	8.00	6.00	6.00	5.00	5.00
14%	11%	10%	14%	8%	7%	7%
78.21	96.87	89.26	62.74	87.82	78.48	80.94
119.22	137.36	122.48	95.14	127.65	118.94	98.66
623	556	469	389	370	289	217
27.42	27.42	27.41	27.40	12.45	12.45	12.45

PERFORMANCE INDICATORS

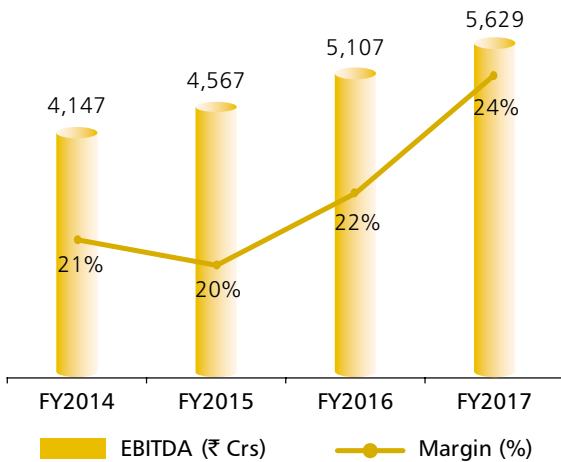
Sales Volume (MMT)



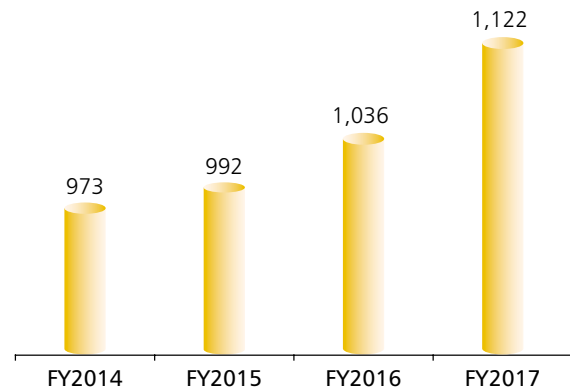
Net Revenue (₹ Crores)



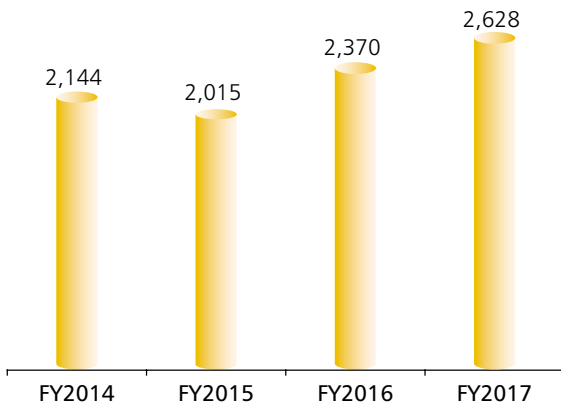
EBITDA



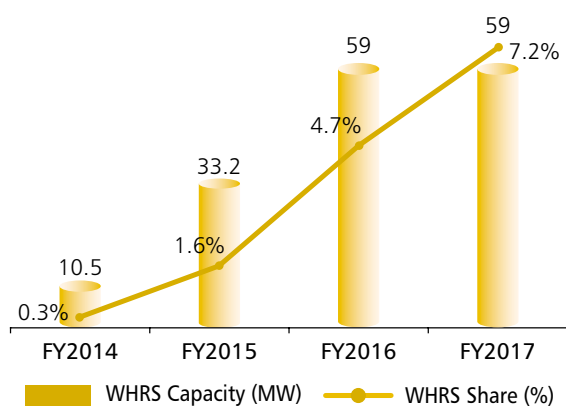
EBITDA (₹ / ton)



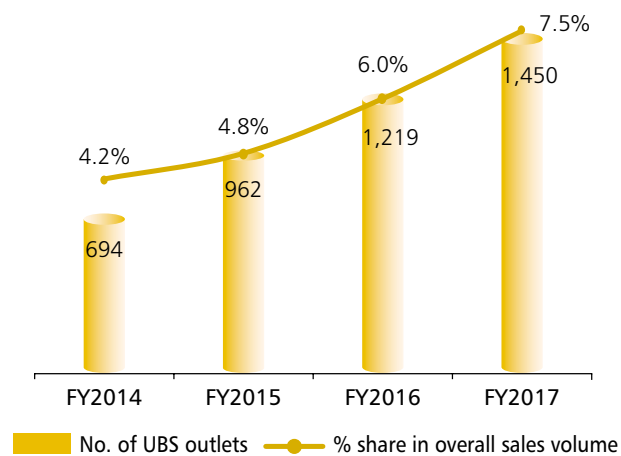
PAT (₹ Crores)



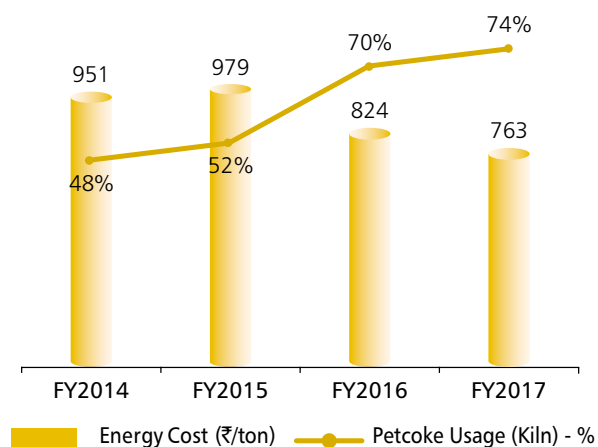
WHRS



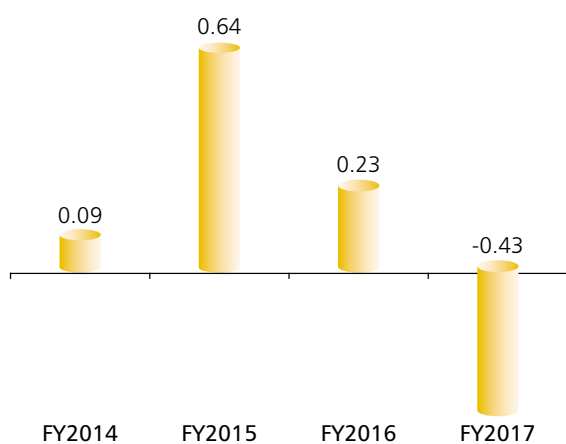
No. of UBS outlets



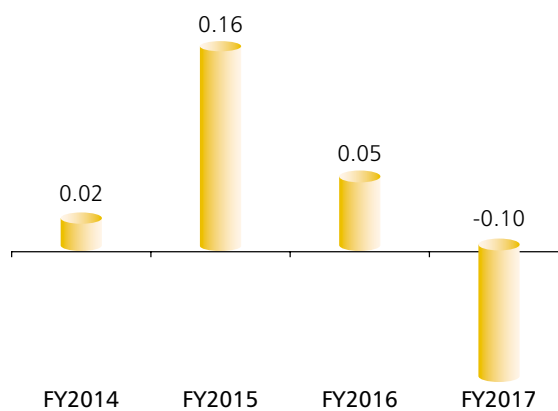
Energy Cost



Debt: EBITDA

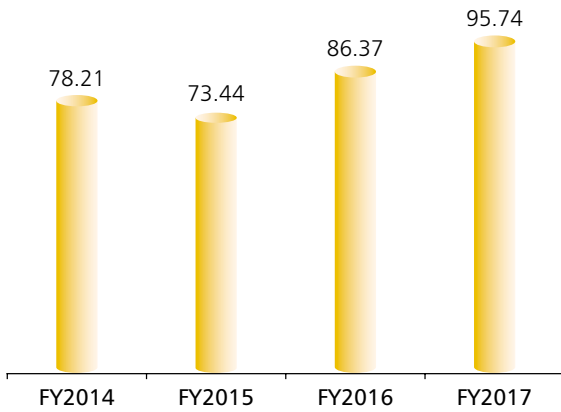


Debt: Equity

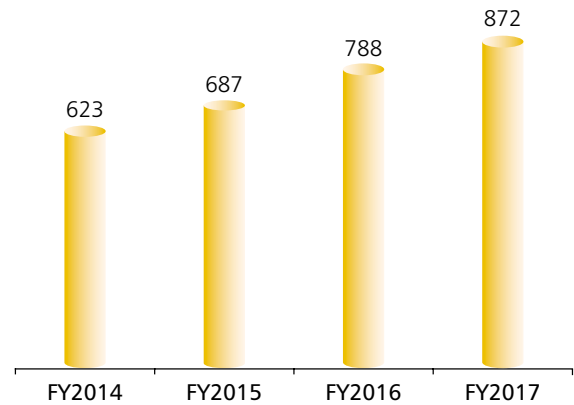


PERFORMANCE INDICATORS

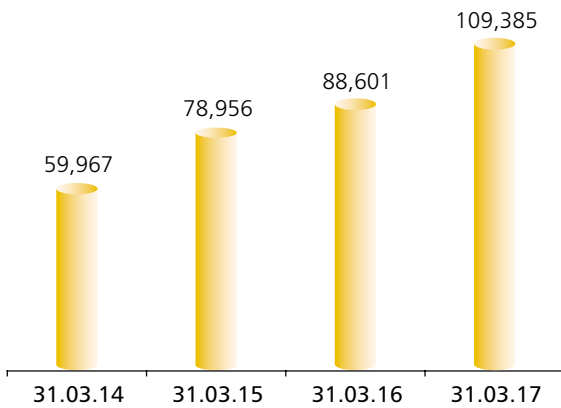
EPS (₹)



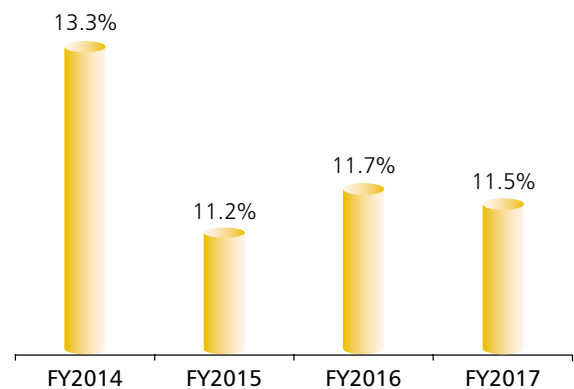
Book Value per share (₹)



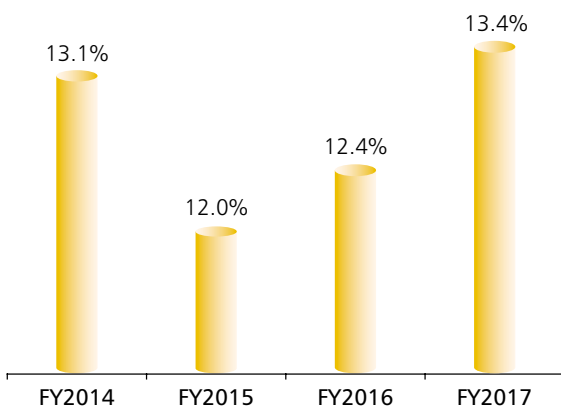
Market Capitalisation (₹ Crores)



ROE



ROCE



DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors present the Seventeenth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2017.

OVERVIEW AND THE STATE OF THE COMPANY'S AFFAIRS

The year under review witnessed a marginal growth in the world economy attributable to a feeble pace of global investment, dwindling world trade, flagging productivity and high levels of debt. Conflicts and geopolitical tensions continued to weigh on economic prospects in several regions. The investment growth in many major developed and developing economies as well as many economies in transition was significantly slow. The World Bank has predicted only a moderate pick-up in global economic growth during 2017, driven mainly by improvements in emerging markets and developing economies.

India's GDP grew about 7.1%. This was primarily on the back of improving agricultural sector with good monsoons and Government's public spending program. The manufacturing and service sectors registered a weak growth. India's GDP growth is expected to remain stable during FY18. The Government's stimulus for improving overall business sentiments will be the major growth drivers. Implementation of GST will have a positive impact, going forward.

The cement industry registered the lowest volume growth during the past 15 years. Though the industry started the year on a positive note, achieving decent growth during the first six months of the year, the second half witnessed muted cement demand from the housing segment, the largest cement driver. The year saw the industry adding another 12 mtpa new capacity, taking the total installed capacity in the country to ~420 mtpa. With the new additions coupled with contraction in demand, industry capacity utilisation declined to ~65% (LY 67%). Cement prices have not shown any improvement over the last year and escalation in fuel prices has resulted in higher operating costs.

Cement demand is expected to pick-up gradually. The Government sponsored affordable housing program, interest

rate subvention scheme on housing loans, continuing infrastructure spending, improving demand sentiments in the markets of South India and revival in rural housing demand, backed by improved cash flow, are expected to be the key factors for cement demand growth. On the flip side, demand from the urban housing and private sector capex is still not showing any signs of recovery.

Against this background, the performance of your Company during 2016-17 is as indicated:

BUSINESS PERFORMANCE

Production and Capacity Utilisation (Grey Cement):

	FY17	FY16	% change
Installed capacity (MTPA)	66.25	64.65	2
Production (MMT)	47.91	47.56	1
Capacity Utilisation	72%	76%	(4)

MTPA – Million Metric Tonnes Per Annum.

MMT– Million Metric Tonnes.

During the year, cement capacity was augmented to 66.25 MTPA, following the commissioning of the grinding unit at Patliputra in Bihar. Cement production for the year improved marginally from 47.56 million tonnes in the previous year to 47.91 million tonnes. Capacity utilisation clocked 72% on a higher capacity base.

Figures in MMT

Particulars	FY17	FY16	% Change
Domestic Sales	47.62	47.13	1
Exports & Others	2.56	2.15	19
Total Sales Volume	50.19	49.28	2

Domestic sales volume rose marginally from 47.13 MMT to 47.62 MMT vis-a-vis a marginal dip in industry volume for the year.

FINANCIAL PERFORMANCE

(₹ in crores)

	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Net Turnover	23,616	23,440	25,092	24,880
Domestic	23,191	23,137	23,191	23,137
Exports	425	303	1,901	1,743
Other Income	936	749	931	737
Total Expenditure	18,922	19,082	20,163	20,252
Profit before Interest, Depreciation and Tax (PBITD)	5,629	5,107	5,861	5,365
Less: Depreciation	1,268	1,297	1,349	1,377
Profit before Interest and Tax (PBIT)	4,361	3,810	4,512	3,988
Interest	571	512	640	566
Profit before Impairment and Tax Expenses / share in profit of Associates	3,790	3,299	3,872	3,422
Provision for diminution in value of Investment	(14)	-	-	-
Profit before Tax Expenses	3,776	3,299	3,872	3,422
Tax Expenses	1,148	928	1,158	942
Profit after tax	2,628	2,370	2,714	2,480
Profit attributable to Non-controlling Interest	-	-	(1)	2
Profit attributable to Owner of the parent	2,628	2,370	2,715	2,478
Balance brought forward from previous year	4,396	3,866	4,613	3,975
Less: Appropriations:				
Re-measurement gain/loss on defined benefit plan	(13)	(3)	(13)	(3)
Transfer to General Reserve	(2,000)	(1,500)	(2,000)	(1,500)
Transfer to Debenture Redemption Reserve	96	(44)	96	(44)
Dividend on Equity Shares	(261)	(247)	(261)	(247)
Tax on Dividend	(50)	(46)	(50)	(46)
Net Balance for the year	4,796	4,396	5,100	4,613

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The date of transition to Ind AS is from 1st April, 2015. The Consolidated Financial Statements have been prepared in accordance with the provisions of the Act, read with the Companies (Accounts) Rules, 2014, applicable Indian Accounting Standards and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). These form part of the Annual Report.

Net Turnover:

Your Company's net turnover at ₹ 23,616 crores is marginally higher over the previous year mainly on account of higher sales volume. Cement prices were down from ₹ 4,757/t to ₹ 4,706/t due to surplus capacity in the sector.

Other Income:

Other income is up by 25% compared to the previous year. Your Company has reversed a provision of ₹ 138 crores related to the earlier years. Besides this, other income was augmented, given higher income on increase in surplus funds, deployed in secured debt instruments.

Operating Profit (PBITD) and Margin:

PBITD for the year at ₹ 5,629 crores is up by 10%. PBITD margin rose from 22% to 24%.

Cost Highlights:

(i) Energy Cost:

The overall energy cost declined by 7% from ₹ 824/t during the previous year to ₹ 763/t, driven by increase in the usage of petcoke, industrial waste, and efficiency improvements, coupled with the benefit of lower petcoke prices during part of the year.

The use of petcoke in the kilns extended to 74% from 70% in the previous year. Your Company has also improved the efficiencies of its plant and machinery, resulting in 3% lower power consumption. Besides petcoke, your Company is also increasing the usage of industrial waste. Your Company has disposed off around 1.5 LMT of waste in the kilns, resulting in the saving of the total fuel requirement by about 2%. The increase in the share of waste heat recovery to 7% of the total power requirement of the Company led to reduced consumption of coal and petcoke.

(ii) Input material cost:

Raw materials cost remained stable at ₹ 467/t.

(iii) Freight and Forwarding expenses:

Logistics cost reduced from ₹ 1,099/t to ₹ 1,074/t, although diesel prices were up about 13% for the year, consequent to the reduction in the average lead distance with improved utilisation of new cement grinding capacities, rationalisation of road freight rates and increased coastal movement.

(iv) Employee costs:

Employee costs registered an increase of 5% from ₹ 1,343 crores in the previous year to ₹ 1,413 crores, on account of normal annual increments and commissioning of new plants.

Depreciation:

Depreciation for the year at ₹ 1,268 crores is lower by ₹ 29 crores. During the previous year, your Company had componentised its property, plant and equipment. This had resulted in higher depreciation.

Finance Cost:

The finance cost at ₹ 571 crores is higher by ₹ 59 crores as compared to ₹ 512 crores mainly on account of provision for interest on entry tax pertaining to earlier years and lower benefit of interest subsidy due to the completion of the government grant period.

Your Company does not accept any fixed deposits from the public falling under Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

Your Company has adequate liquidity and a strong Balance Sheet. CRISIL has re-affirmed its credit rating as CRISIL AAA for Long Term and CRISIL A1+ for Short Term.

Income Tax:

The income tax expenses increased in line with increase in taxable income.

Net Profit:

Profit after tax for the year increased by 11% from ₹ 2,370 crores in the previous year to ₹ 2,628 crores.

Cash Flow Statement

	(₹ in crores)	
	FY17	FY16
Sources of Cash		
Cash from operations	4,233	3,833
Non-operating cash flow	138	143
Proceeds from issue of share capital	7	3
Increase in borrowings	-	246
Decrease in working capital	488	521
Total	4,866	4,746
Uses of Cash		
Net capital expenditure	1,232	2,059
Increase in investment	1,270	1,840
Repayment of borrowings (net)	1,534	-
Interest	547	539
Dividend	308	293
Total	4,891	4,731
Increase / (Decrease) in cash & cash equivalents	(25)	15

Sources of Cash

Cash from operations:

Cash from operations was higher compared to the previous year due to higher sales volume and lower cost of production.

Decrease in Working Capital:

To improve liquidity, your Company has tightened the working capital norms by reducing the inventory of stores and spares, improving debtors realisation and implementing appropriate payment norms for suppliers.

Uses of Cash

Decrease in Borrowings:

During the year, your Company raised ₹ 2,878 crores of long-term debt in the form of non-convertible debentures and external commercial borrowings. Your Company has repaid long-term loan of around ₹ 3,089 crores in line with the repayment schedule and short-term borrowings decreased by ₹ 1,323 crores.

Net Capital Expenditure

Your Company spent over ₹ 1,200 crores on its capital expenditure plans, a significant part of which was towards the balance work of the new grinding capacity commissioned during the year. Besides this, your Company also spent on capex for meeting regulatory requirements, plant upkeep and improving efficiencies.

Transfer to General Reserve

Your Company proposes to transfer an amount of ₹ 2,000 crores to the General Reserves.

DIVIDEND

Your Directors have recommended a dividend of ₹ 10/- per equity share (₹ 9.50/- per equity share in the previous year) of ₹ 10/- each for the year ended 31st March, 2017. The dividend distribution would result in a cash outgo of ₹ 330 crores (including tax on dividend of ₹ 56 crores) compared to ₹ 314 crores (including tax on dividend of ₹ 53 crores) paid for 2015-16.

In terms of the provisions of Regulation 43A of the Listing Regulations, your Company has formulated a dividend distribution policy. The policy is given in **Annexure I** to this Report and is also accessible from your Company's website www.ultratechcement.com.

CAPITAL EXPENDITURE PLAN

During the year, your Company commissioned cement grinding units at Nagpur, Maharashtra and at Patliputra, Bihar.

To cater to the markets of south-west Madhya Pradesh, the Board of Directors have approved the setting up of an integrated cement plant at Dhar, Madhya Pradesh with a capacity of 3.5 MTPA and at a total cost of ₹ 2,600 crores. The commercial production from the plant is expected to commence by Q4FY19.

The capital expenditure during the next financial year is expected to be approximately ₹ 2,200 crores, mainly for capacity expansion projects, regulatory requirements, plant infrastructure and routine maintenance.

CORPORATE DEVELOPMENT

The Board of Directors of your Company at its meeting on 4th July, 2016 approved a Scheme of Arrangement ("the Scheme") between Jaiprakash Associates Limited ("JAL"), Jaypee Cement Corporation Limited ("JCCL") wholly-owned subsidiary of JAL and your Company for the acquisition of identified cement plants of JAL and JCCL in the States of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, having

a capacity of 21.20 MTPA at an enterprise value of ₹16,189 crores. The Scheme has been approved by the shareholders and creditors of your Company. It has also received the sanction of the Competition Commission of India, the Hon'ble National Company Law Tribunal and the SEBI. The Scheme will be made effective by the Board of Directors of your Company and those of JAL and JCCL after receiving the remaining approvals.

CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report is provided in the Corporate Governance section of this Annual Report. The auditor's certificate on compliance with the conditions of corporate governance of the Listing Regulations is given in **Annexure II** to this Report.

EMPLOYEE STOCK OPTION SCHEMES

ESOS – 2006

The Nomination, Remuneration and Compensation Committee ("the NRC") allotted 13,439 equity shares of ₹ 10/- each of your Company upon exercise of Stock Options by the employees. During the year, 1,633 Stock Options have vested in eligible employees.

ESOS – 2013

The NRC granted 44,411 Stock Options and 15,687 Restricted Stock Units ("RSUs") to eligible employees of your Company. During the year, 56,154 Stock Options and 57,799 RSUs have vested in eligible employees. The NRC allotted 63,090 equity shares of ₹10/- each of your Company upon exercise of Stock Options and RSUs by the employees.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options and RSUs granted under the above mentioned Schemes are available on your Company's website viz. www.ultratechcement.com.

A certificate from the Statutory Auditor on the implementation of your Company's Employees Stock Option Schemes will be placed at the ensuing Annual General Meeting for inspection by the Members.

AWARDS

Your Company's efforts in various areas of its operations continue to receive accolades. Some of the prestigious awards conferred on your Company during the year are:

- "Gold Award" under CSR Category in the cement sector for excellent contribution under CSR : Vikram Cement Works;
- National Awards for Manufacturing Competitiveness (NAMC) 2015-16 in Building Material & Cement Sector: Aditya Cement Works;

- Golden Peacock Award for CSR: Birla White;
- Appreciation plaque by FICCI for commendable work in the field CSR: Hirni Cement Works;
- Certificate of Merit for achieving zero accident frequency rate by National Safety Council: Ratnagiri Cement Works;
- GreenCo Gold Rating by CII: Reddipalayam Cement Works;
- Frost & Sullivan Sustainability 4.0 awards: Reddipalayam Cement Works.

RESEARCH AND DEVELOPMENT

Your Company's Research and Development ("R&D") function has been restructured and integrated into 'One R&D Cell' to consistently and more efficiently contribute to sustained growth of the business by providing top innovative and environmental friendly solutions in cement and concrete manufacturing. Continuous product development and enhancing process productivity are its forte, aimed at creating greater customer value and delight while at the same time reducing the cost of products. The One R&D Cell provides comprehensive scientific and technological support to the business while promoting sustainability initiatives and developmental goals.

The R&D activities of your Company include basic as well as applied research. The aim is fostering a better understanding and development of futuristic, low-cost, high-quality and energy-saving cement and concrete types, bridging the gap between theory and practice of the Indian construction industry. Customer satisfaction, innovation and quality improvement, cost and energy reduction are the governing attributes of all R&D projects. Achieving cement process optimisation and debottlenecking, limestone deposit conservation and significant use of alternative fuels and raw materials complying with increasingly stricter environmental norms form the mandate. Towards this end, your Company has developed several new products and additives that aid in limestone conservation, energy savings. It also enhances the durability of concrete and concrete structures. Your Company continues to maximise the use of industrial by-products (slag, fly ash, waste gypsum) and alternative fuels (petcoke, solid and liquid chemical wastes) while maintaining high quality product attributes and functionality.

Your Company collaborates with the Aditya Birla Science and Technology Company Private Limited ("ABSTCPL"), which is the corporate research and development centre for the Aditya Birla Group. Current projects undertaken by ABSTCPL scientists include the use of computational or modeling methods for enhancing cement process productivity.

HUMAN RESOURCES

Your Company believes that its human capital will be the key to drive future progress and bring in differentiated growth. To facilitate this future-readiness, your Company has been focusing

on effective skill building and development programs that equip its work-force take on larger and higher roles. As part of the development initiative, a number of employees were rotated from their existing roles to new roles.

Your Company is committed to strengthening its Employee Value Proposition while creating a World of Opportunities. Several initiatives to engage its employees were taken. Their effectiveness is reflected as improvement in Employee Engagement scores in 2016. Initiatives driven by your Company's Sales & Service Academy run flagship programs like FrontStep and NextStep covering the frontline sales employees and developing them for effectiveness and growth. The Technical Training Centre drove technical effectiveness and business simulation programs for various levels of managers. A career building program called StepAhead was launched in collaboration with Xavier Institute of Management (XLRI) for developing managers for higher roles.

As on 31st March, 2017, your Company's employee strength stood at 14,240 employees (14,410 employees).

SAFETY

The safety excellence journey is a continuing process at your Company. The safety of the people working for and on behalf of your Company is an integral part of business. Your Company's Managing Director chairs the Safety Board, which reviews the safety performance of your Company on a regular basis. In addition, there are eight safety sub-committees headed by senior leaders to closely monitor various key performance indicators related to safety. During the year, more than 600,000 safety observations have been carried out to identify unsafe acts and conditions, out of which more than 90% of actions have been addressed to make our workplace safer. Corporate safety audit by cross functional teams and structural stability assessment by third parties is carried out across your Company's locations and around 95% of identified high-priority points have been completed to ensure that the structures across our Units are safe.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which is chaired by Mrs. Rajashree Birla. The other Members of the Committee are Mr. G. M. Dave, Independent Director, Mr. O. P. Purnamalka, Non-Executive Director and Mr. K. K. Maheshwari, Managing Director. Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR is a permanent invitee to the Committee. Your Company also has in place a CSR Policy which is accessible on your Company's website viz. www.ultratechcement.com.

Your Company's CSR activities are focused on Social Empowerment & Welfare, Infrastructure Development, Sustainable Livelihood, Health Care and Education. Various activities have been initiated

during the year in neighboring villages around its Units resulting in a spend of ₹ 54.15 crores, being more than 2% of the average net profits of the last three financial years for the purposes of CSR. Your Company has also identified projects under the Swachha Bharat Abhiyaan, work on which is being carried out in all earnest.

A report on CSR activities is attached as **Annexure III** forming part of this Report.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

In the matter of your Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL"), the Supreme Court of India has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. Your Company is in the process of making an application for the transfer of mines under the State Government's new policy related to transfer of mining lease.

The audited financial statements of your Company's subsidiaries and joint venture viz. Dakshin Cements Limited, Harish Cement Limited, GKUPL, Bhagwati Lime Stone Company Private Limited, UltraTech Cement Middle East Investments Limited, UltraTech Cement Lanka (Pvt.) Limited, PT UltraTech Mining Indonesia and PT UltraTech Investments Indonesia as well as related information are accessible on the website of your Company viz. www.ultratechcement.com and also available for inspection during business hours at the Registered Office of your Company. Any Member, who is interested in obtaining a copy of the audited financial statements of your Company's subsidiaries may write to the Company Secretary at the Registered Office of your Company.

In accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries, associates and joint ventures is attached as **Annexure IV** to this Report.

PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT

Details of loan, guarantee and investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the financial statements.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed pursuant to Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is given in **Annexure V** to this Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) read with the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure VI**. In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary at the Registered Office of your Company.

BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34(2)(f) of the Listing Regulations, a Business Responsibility Report forms part of this Annual Report.

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

During the financial year, your Company entered into related party transactions which were on an arm's length basis and in the ordinary course of business. There are no material transactions with any related party as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions have been approved by the Audit Committee of your Company.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is accessible on your Company's website viz. www.ultratechcement.com.

The details of contracts and arrangement with related parties of your Company for the financial year ended 31st March, 2017 are given in Note 38 to the financial statements of your Company.

RISK MANAGEMENT

Your Company has constituted a Risk Management Committee which is mandated to review the risk management plan / process of your Company and has adequate risk management procedures, which are based upon business environment, operational controls and compliance procedures. The major risks are assessed through a systemic procedure of risk identification and classification. Risks are prioritised according to significance and likelihood. The risk assessment is not limited to threat analysis, but also identifies potential opportunities. The Risk Management Committee oversees the risk management process.

Key Business Risks identified by your Company –

Securing primary raw material

Limestone is the primary raw material required for production of cement. Its continuous and long term availability is critical, particularly under the dynamic regulatory environment. Although your Company possesses sufficient limestone reserves, securing additional reserves is imperative to address your

Company's expansion plans and elongate the life of existing reserves. Under the new Mines and Minerals (Development & Regulation) Amendment Act, 2015 ("MMDR"), leases granted before the commencement of the Act, for captive use are extended upto a period ending on 31st March, 2030, or a period of 50 years from the date of last renewal, whichever is later. Under the said MMDR and Rules made thereunder, in future, all mining leases will be granted by way of an auction only.

Low demand and overcapacity

Over the last financial year the cement demand growth in the country has remained muted. The investments in new capacities by the industry has largely remained unutilised. It is estimated that the incremental demand in the coming years shall exceed the incremental new capacity of the industry. The Government's push on infrastructure and housing will help in increasing cement consumption and reduce the demand-supply gap.

Fuel costs

The cement manufacturing process is extremely energy intensive. During the current year your Company was able to gradually shift its consumption of coal to pet coke. However, fuel prices have been rising continuously during the year driven by the global demand supply scenario. Your Company continuously reviews its fuel mix to optimise consumption and continues exploring alternative sources.

Regulatory and Compliance

With the ever evolving regulatory framework in the country the risk of non-compliance and penalties loom large and carry reputational risks. Your Company has taken steps to automate the compliance procedures and has deployed adequate measures for periodic review mechanisms of the regulatory framework to ensure complete compliance with all statutes.

Competition Risks

With every new entrant the risks on sales volume, market share and profitability stands enhanced. With the foray of new entrants and also capacity expansion by the existing player's, competition in the Indian cement industry is a reality. Your Company continues to enhance brand equity through enhanced marketing activities and customer centricity. Continuous efforts are also deployed in enhancing the product portfolio and value adding services.

Financial Risks

Your Company's exposure to interest rates, foreign exchange rates and commodity prices is subject to market dynamics. The Company's policies to counter such risks are reviewed periodically and aligned with the financial market practices and regulations.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control

systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Clearly defined roles and responsibilities have been institutionalised. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations.

DIRECTORS' RESPONSIBILITY STATEMENT

The audited accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Your Directors confirm that:

- i. in the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. the accounting policies selected have been applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2017 and of the profit of your Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities;
- iv. the Annual Accounts of your Company have been prepared on a going concern basis;
- v. your Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively;
- vi. your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS

Changes in the constitution of the Board

Mr. R. C. Bhargava and Mr. Rajiv Dube resigned as directors from the Board of your Company with effect from 20th July, 2016. The Board places on record its deep appreciation for the services rendered by Mr. Bhargava and Mr. Dube during their tenure as Members of the Board.

Mr. D. D. Rathi (DIN: 00012575) retires from office by rotation and being eligible, offers himself for re-appointment. A brief

resumes of Mr. Rathie forms part of the Notice of the ensuing Annual General Meeting.

During the financial year 2016-17, Mr. K. K. Maheshwari, Managing Director and Mr. Atul Daga, Whole-time Director & Chief Financial Officer have not received any commission / remuneration from your Company's holding as well as subsidiary companies.

Meetings of the Board

The Board of Directors of your Company met 7 times during the year to deliberate on various matters. The meetings were held on 25th April, 2016, 9th June, 2016, 4th July, 2016, 19th July, 2016, 17th October, 2016, 21st January, 2017 and 14th February, 2017. Further details on the Board of Directors are provided in the Corporate Governance Report forming part of this Annual Report.

Independent Directors' Statement

Independent Directors on your Company's Board have submitted declarations of independence to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

Formal Annual Evaluation

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others.

Pursuant to the provisions of the Act and the Listing Regulations, the Directors have carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board. The manner of evaluation is provided in the Corporate Governance Report.

The details of program for familiarisation of Independent Directors of your Company are accessible on your Company's website viz. www.ultratechcement.com

Policy on Appointment and Remuneration of Directors and Key Managerial Personnel and Remuneration Policy

The NRC has formulated the Remuneration policy of your Company which is attached as **Annexure VII** to this Report.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 203 of the Act, Mr. K. K. Maheshwari, Managing Director; Mr. Atul Daga, Whole-time Director & CFO and Mr. S. K. Chatterjee, Company Secretary are the Key Managerial Personnel of your Company.

AUDIT COMMITTEE

With Mr. R.C. Bhargava stepping down from your Company's Board, the Audit Committee has been re-constituted with the induction of Mr. S. B. Mathur, Mr. D. D. Rathie and Mrs. Alka

Bharucha. The Committee now comprises of Mr. S. B. Mathur, Mr. G. M. Dave, Mrs. Renuka Ramnath, Mr. D. D. Rathie and Mrs. Alka Bharucha. The Committee comprises of majority of independent directors with Mr. Mathur being the Chairman. Mr. K. K. Maheshwari, Managing Director and Mr. Atul Daga, Whole-time Director & CFO are the permanent invitees. Further details relating to the Audit Committee are provided in the Corporate Governance Report forming part of this Annual Report.

VIGIL MECHANISM

Your Company has in place a vigil mechanism for Directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimisation to those who avail the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases is provided to them.

The vigil mechanism is accessible on your Company's website viz. www.ultratechcement.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Competition Commission of India ("CCI") vide its order dated 31st August, 2016, imposed a penalty on eleven companies, including your Company. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal ("COMPAT") vide its order dated 11th December, 2015 setting aside the original CCI order dated 20th June, 2012 and remitting the matter to CCI for fresh adjudication of the issue and passing a fresh order. Your Company filed an appeal against the CCI Order before COMPAT. COMPAT has granted stay on the CCI order on condition that your Company deposit 10% of the penalty, amounting to ₹ 117.56 crores, which has since been deposited.

In a separate matter, the CCI vide its order dated 19th January, 2017 has imposed a penalty of ₹ 68.30 crores on your Company pursuant to a reference filed by the Government of Haryana. Your Company has filed an appeal against the said CCI order before COMPAT. COMPAT has granted stay on the said CCI order.

Your Company, backed by a legal opinion, continues to believe that it has a good case and accordingly no provision has been made in the accounts on account of these two matters.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No: 101248W/W-100022) and M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai (Registration No: 105146W) had been appointed as Joint Statutory Auditors of your Company for a term of five years until

the conclusion of the 20th Annual General Meeting ("AGM") and 21st AGM respectively. In terms of the provisions of the Act, your ratification to their appointment as Joint Statutory Auditors of your Company is being sought at the ensuing AGM and forms part of the Notice convening the said meeting. The Joint Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company.

The observation made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

Cost Auditors

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, as Cost Auditors, to conduct the cost audit of your Company for the financial year ending 31st March, 2018 at a remuneration as mentioned in the Notice convening the AGM.

As required under the Act, the remuneration payable to cost auditors has to be placed before the Members at a general meeting for ratification. Accordingly, a resolution seeking your ratification for the remuneration payable to the Cost Auditors forms part of the Notice of the ensuing AGM.

Secretarial Auditor

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. BNP & Associates, Company Secretaries, Mumbai as Secretarial Auditor for conducting the Secretarial Audit of your Company for the financial year ended 31st March, 2017. The report of the Secretarial Auditor is attached as **Annexure VIII**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2017 is given in **Annexure IX** to this Report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company is committed to providing a safe and conducive work environment to all of its employees and associates.

Your Company has in place a Policy on Prevention of Sexual Harassment at Workplace, which is applicable to all employees of your Company, as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act").

Your Company ensures organisation wide dissemination of the Policy by conducting regular sessions throughout the year.

During the financial year 2016-17, your Company did not receive any complaints under Prevention of Sexual Harassment of Women at Workplace Act.

OTHER DISCLOSURES

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this Report.
- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.

CAUTIONARY STATEMENT

Statements in the Directors' Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in your Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which your Company conducts business and other factors such as litigation and labour negotiations. Your Company is not obliged to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

ACKNOWLEDGEMENT

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and support and look forward to their continued support in future. We thank our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

For and on behalf of the Board



Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Mumbai, 24th April, 2017

ANNEXURE I

DIVIDEND DISTRIBUTION POLICY

1.0 Introduction

- 1.1 As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy.
- 1.2 The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

2.0 Target Dividend Payout

- 2.1 Dividend will be declared out of the current year's Profit after Tax of the Company.
- 2.2 Only in exceptional circumstances including but not limited to loss after tax in any particular financial year, the Board may consider utilising retained earnings for declaration of dividends, subject to applicable legal provisions.
- 2.3 'Other Comprehensive Income' (as per applicable Accounting Standards) which mainly comprises of unrealized gains / losses, will not be considered for the purpose of declaration of dividend.
- 2.4 The Board will endeavor to achieve a dividend payout ratio (gross of dividend distribution tax) in the range of 15 % to 25% of the Standalone Profit after Tax, net of dividend payout to preference shareholders, if any.

3.0 Factors to be considered for Dividend Payout

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividend:

- Stability of earnings
- Cash flow position from operations
- Future capital expenditure, inorganic growth plans and reinvestment opportunities
- Industry outlook and stage of business cycle for underlying businesses
- Leverage profile and capital adequacy metrics
- Overall economic / regulatory environment
- Contingent liabilities
- Past dividend trends
- Buyback of shares or any such alternate profit distribution measure
- Any other contingency plans

4.0 General

Retained earnings will be used for the Company's growth plans, working capital requirements, debt repayments and other contingencies.

5.0 Review

This policy would be subject to revision / amendment on a periodic basis, as may be necessary.

6.0 Disclosure

This policy (as amended from time to time) will be available on the Company's website and in the annual report.

ANNEXURE II

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
UltraTech Cement Limited

We have examined the compliance of conditions of Corporate Governance by UltraTech Cement 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 **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: - 044000

Mumbai
24th April 2017

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs	:	To actively contribute to the social and economic development of the communities in which we operate. In so doing and built a better, sustainable way of life for weaker sections of society, to contribute effectively towards inclusive growth and raise the country's human development index. Our projects focus on– education, healthcare, sustainable livelihood, infrastructure development and social reform, epitomizing a holistic approach to inclusive growth. The Company's CSR policy can be accessed on: http://www.ultratechcement.com .
2	Composition of the CSR Committee	:	Mrs. Rajashree Birla, Chairperson Mr. G.M. Dave, Member Mr. O. P. Puranmalka, Member Mr. K. K. Maheshwari, Member Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR, Permanent Invitee
3	Average net profit of the Company for last three financial years	:	₹ 2,668 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in Item 3 above)	:	₹ 53.36 Crores
5	Details of CSR spent during the financial year		
	Total amount to be spent for the financial year	:	₹ 53.36 Crores
	Amount unspent, if any	:	Nil
	Manner in which the amount spent during the financial year	:	Details given below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementing agency
1.	1. Preschool education project Balwadis / playschools / crèches, strengthening Anganwadi Centre	Education	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat – Amreli, Bhuj, Maharashtra – Chandrapur, Solapur, Ratnagiri, Chhattisgarh – Baloda Bazaar, Karnataka – Gulbarga, Andhra Pradesh – Kurnool, Anantapur, Tamilnadu – Ariyalur, Odisha – Jharsuguda,	0.12	0.10	17.96	Direct / Implementing Agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementing agency
	2. School Education Project Enrollment awareness programs/ event, Formal schools outside campus (Company run), Education Material (Study materials, Uniform, Books etc), Scholarship (merit and need based assistance), School competitions / best teacher award, cultural events, quality of education (support teachers, Improve education methods), specialised coaching, exposure visits / awareness, formal schools inside campus (Company Schools), Support to Midday Meal Project.		West Bengal – Bolpur, Bihar – Patna, Nalanda, Haryana – Jhajjar, Panipat, Uttar Pradesh – Aligarh, Punjab – Bathinda	13.0	13.08		
	3. Education support programs Knowledge centre and library, adult and non formal education, celebration of national days / International days, computer education, reducing drop-out and continuing education (Kasturba balika/ bridge courses / counseling), Career counseling and orientation.			1.00	0.33		
	4. Vocational and Technical Education Strengthening ITI's, skills based individual training program			0.50	0.27		
	5. School Infrastructure Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), school sanitation / drinking water, school facilities and fixtures (furniture/blackboards/computers)			2.87	4.18		
2.	1. Preventive Health Care Immunisation, Pulse polio immunisation, Health Check-up camps, Ambulance Mobile Dispensary Program, Malaria / Diarrhoea / Control programs, Health & Hygiene awareness programs, School health / Eye / Dental camps, Yoga / fitness classes.	Health	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat – Amreli, Bhuj, Maharashtra – Chandrapur, Solapur, Ratnagiri, Chhattisgarh – Baloda Bazaar, Karnataka – Gulbarga, Andhra Pradesh – Kurnool, Anantapur, Tamilnadu – Ariyalur, Odisha – Jharsuguda, West Bengal – Bolpur	0.70	0.68	9.99	Direct / Implementing Agency
	2. Curative Health Care program General Health camps, Specialised Health Camps, Eye camps, Treatment Camps (Skin, cleft, etc.), Cleft camp, Homeopathic / Ayurvedic Camps, Surgical camps, Tuberculosis / Leprosy Company operated hospitals/ dispensaries / clinic.			2.30	3.53		

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementing agency
	3. Reproductive and Child Health Mother and child health care (ante natal care, pre natal care and neonatal care), adolescent health care, infant and child health (Healthy baby competition), support to family planning / camps, nutritional programs for mother/child.			1.90	1.89		
	4. Quality/ Support Program Referral services treatment of BPL, old age or needy patient, HIV-AIDS Awareness Program, RTI/STD Awareness Program, Support for differently abled, Ambulance services, Blood donation camps, blood grouping.			0.10	0.08		
	5. Health Infrastructure Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), village community sanitation (toilets/ drainage), individual toilets, drinking water new sources, (Hand pump/ RO/ Water Tank/ well), drinking water existing sources (operation/ maintenance), water source purification.			2.15	3.81		
3.	1. Agriculture and Farm Based Agriculture & horticulture training program/ farmers group transfer of technology-demonstration plots, support for horticulture plots, seeds improvement program, support for improved agriculture equipment and inputs, Exposure visits / support for agricultural mela, integrated agricultural/ horticultural improvement program/ productivity improvement programs, soil health and organic farming.	Environment and livelihood	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh, Madhya Pradesh – Neemuch, Gujarat – Amreli, Bhuj, Maharashtra – Chandrapur, Solapur, Ratnagiri, Nagpur Chhattisgarh – Baloda Bazaar, Karnataka – Gulbarga, Andhra Pradesh – Kurnool, Anantapur, Tamilnadu – Ariyalur, Odisha – Jharsuguda	0.70	0.34	2.10	Direct / Implementing Agency
	2. Animal Husbandry Based Treatment and vaccination, breed improvement productivity, improvement programs and training.			0.64	0.41		
	3. Non-farm & Skills Based Income generation program Capacity building program-Tailoring, Beauty Parlour, Mechanical, Rural Enterprise development & Income Generation Programs, Support to SHGs for entrepreneurial activities.			0.50	0.54		

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure spend upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementing agency
	4. Natural Resource conservation programs & Non-conventional Energy Bio gas support program, Solar energy support and other energy support programs - (low smoke wood stoves / sky light), Plantation / Green Belt Development / Roadside Plantation, Soil conservation / Land improvement, Water conservation and harvesting (small structures/ bigger structures), Community Pasture Land Development / Orchard Development.			0.50	0.80		
	5. Livelihood Infrastructure			0.90	0.01		
4.	Rural Infrastructure Development other than for the purpose of health / education / livelihood New roads / culverts / bridges / bus stands, repair roads/ culverts / bridges / bus stands community halls / housing, other community assets and shelters. Support for Roads / Culverts / Bridges /Bus Stands Community Halls Rural Housing	Rural Development projects	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh Madhya Pradesh- Neemuch, Gujarat- Amreli, Bhuj, Maharashtra- Chandrapur, Solapur, Ratnagiri, Chhattisgarh- Baloda Bazaar, Karnataka- Gulbarga, Andhra Pradesh- Kurnool, Anantapur, Tamilnadu- Ariyalur, Odisha- Jharsuguda Punjab - Bathinda	11.05 8.00 0.16	7.89 8.75 0.02	16.66	Direct / Implementing Agency
5.	1. Institutional building & strengthening Strengthening / formation of community based organization (SHGs), Support to development organizations, Oldage Home, Orphanage 2. Social Security and support to Organisations Support to old age / Widow / physically challenged person / poor Insurance, Pension Scheme 3. Awareness programs Community awareness program, Awareness campaign social abuse Early marriage / HIV Prevention	Social Empowerment	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh Madhya Pradesh – Neemuch Gujarat- Amreli, Bhuj Maharashtra- Chandrapur, Solapur, Ratnagiri Chhattisgarh- Baloda Bazaar, Karnataka- Gulbarga, Andhra Pradesh- Kurnool, Anantapur Tamilnadu- Ariyalur, Odisha- Jharsuguda.	0.30 0.80 0.20	0.05 1.25 0.06	2.17	Direct / Implementing Agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative expenditure spend upto to the reporting period (₹ in crores)	Amount spent: Direct / through implementing agency
	4. Social Events to minimise causes of poverty Support to mass marriage/ widow remarriage, National/ International day celebrations with community, Support with basic necessities.			0.29	0.39		
	5. Promotion of culture/ sports Support to rural cultural program, festivals & melas support to rural sports.			0.40	0.38		
	6. Disaster Relief Programs and others			0.07	0.04		
6.	Protection of Heritage / Art / Culture	Protection of Heritage, art and culture		1.28	2.27	2.27	Direct / Implementing Agency
	Overheads			2.93	3.00	3.00	
	TOTAL			53.36	54.15	54.15	

Note: Implementing Agency is UltraTech Community Welfare Foundation, a company within the meaning of section 8 of the Companies Act, 2013.

6. Reason for not spending two percent of the average net profit of the last three financial years on CSR:
Not Applicable.
7. A Responsibility Statement of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company:
The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

K. K. Maheshwari
Managing Director
(DIN: 00017572)

Rajashree Birla
Chairperson, CSR Committee
(DIN: 00022995)

24th April, 2017

ANNEXURE IV

Form AOC - 1

Pursuant to first proviso to sub-section(3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Part "A" - Subsidiaries Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

(Amount in Crores)

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets + Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies) - Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
1	Dakshin Cements Limited	2016-17	₹	0.05	(0.05)	₹ 37,774	₹ 43,734	-	-	-	-	-	-	100%
		2015-16		0.05	(0.05)	₹ 37,774	₹ 43,734	-	-	₹ (6991)	-	₹ (6991)	-	100%
2	Harish Cement Limited	2016-17	₹	0.25	153.48	156.10	2.37	-	-	-	-	-	-	100%
		2015-16		0.25	153.48	156.13	2.40	-	-	-	-	-	-	100%
3	Gotan Limestone Khanij Udyog Pvt. Ltd.	2016-17	₹	2.33	19.10	22.83	1.40	-	-	(0.52)	-	(0.52)	-	100%
		2015-16		2.33	19.62	23.36	1.41	-	-	(0.76)	0.04	(0.80)	-	100%
4	Bhagwati Lime Stone Company Pvt. Ltd.	2016-17	₹	0.01	1.81	1.92	0.10	-	-	(0.09)	-	(0.09)	-	100%
		2015-16		0.01	1.89	2	0	-	-	(0)	-	(0)	-	100%
5	UltraTech Cement Lanka Pvt. Ltd.	2016-17	SLR	50.00	153.56	308.36	104.80	-	1,266.26	84.48	21.08	63.40	-	80%
		2015-16	₹	21.28	65.34	128.16	41.53	-	575.57	38.40	9.59	28.81	-	80%
		2015-16	₹	50.00	127.46	249.03	71.57	-	1,078.84	74.13	20.29	53.84	-	80%
		2015-16	₹	22.76	58.01	114.99	34.22	-	508.13	34.91	9.55	25.36	-	80%
6	UltraTech Cement Middle East Investments Ltd. (Standalone)	2016-17	AED	25.13	18.19	123.43	80.11	-	-	(1.75)	-	(1.75)	-	100%
		2015-16	₹	443.44	321.01	2,178.13	1,413.67	-	-	(31.86)	-	(31.86)	-	100%
		2015-16	AED	23.52	17.31	121.23	80.40	-	-	19.28	-	19.28	-	100%
		2015-16	₹	424.12	312.23	2,186.23	1,449.88	-	-	350.04	-	350.04	-	100%
7	Star Cement Co LLC, Dubai ®	2016-17	AED	1.50	(14.81)	40.21	53.52	-	28.95	(1.09)	-	(1.09)	-	100%
		2015-16	₹	26.47	(261.38)	709.50	944.41	-	528.55	(19.90)	-	(19.90)	-	100%
		2015-16	AED	5.09	(13.71)	40.43	49.04	-	31.87	1.15	-	1.15	-	100%
		2015-16	₹	91.76	(247.17)	729.01	884.42	-	578.62	20.90	-	20.90	-	100%
8	Arabian Cement Industry LLC, Abu Dhabi®	2016-17	AED	17.65	(98.13)	312.72	393.20	-	18.92	(1.19)	-	(1.19)	-	100%
		2015-16	₹	1.00	(4.37)	19.79	23.16	-	345.32	(21.74)	-	(21.74)	-	100%
		2015-16	₹	18.03	(78.77)	356.95	417.69	-	21.75	0.98	-	0.98	-	100%
		2016-17	AED	0.50	10.73	95.75	84.53	-	369.97	4.80	-	4.80	-	100%
		2015-16	₹	8.82	189.26	1,689.69	1,491.60	-	674.90	87.70	-	87.70	-	100%
		2015-16	AED	14.36	4.32	89.22	70.54	-	34.55	2.90	-	2.90	-	100%
		2015-16	₹	258.99	77.91	1,608.97	1,272.07	-	627.25	52.68	-	52.68	-	100%
10	Al Nakhla Crushers LLC, Fujairah ®	2016-17	AED	0.20	0.88	5.20	4.13	-	4.23	1.16	-	1.16	-	100%
		2015-16	₹	3.53	15.46	91.81	72.82	-	77.24	21.14	-	21.14	-	100%
		2015-16	AED	0.20	(0.28)	5.46	5.55	-	4.25	1.21	-	1.21	-	100%
		2015-16	₹	3.61	(5.08)	98.55	100.03	-	77.10	21.94	-	21.94	-	100%
11	UltraTech Cement Bahrain Company WLL, Bahrain®	2016-17	Bahrain Dirham (BHD)	0.03	1.10	1.42	0.29	-	1.17	0.20	-	0.20	-	100%
		2015-16	₹	5.16	188.79	243.54	49.59	-	208.79	36.45	-	36.45	-	100%
		2015-16	Bahrain Dirham (BHD)	0.03	0.89	1.02	0.10	-	1.10	0.14	-	0.14	-	100%
		2015-16	₹	5.27	155.68	179.08	18.13	-	193.91	24.96	-	24.96	-	100%

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Deferred tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies) - Treasury Bill	Net Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
12	Emirates Cement Bangladesh Ltd, Bangladesh ®	2016-17	Takka ₹	158.93 129.24	(103.59) (84.24)	239.72 194.94	184.38 149.94	-	257.82 219.99	5.71 4.87	1.55 1.32	4.16 3.55	-	100%
		2015-16	Takka ₹	158.93 134.42	(107.62) (91.02)	222.62 188.29	171.32 144.89	-	187.38 159.89	(4.83) (4.12)	0.62 0.53	(5.45) (4.65)	-	100%
13	Emirates Power Company Ltd, Bangladesh ®	2016-17	Takka ₹	27.00 21.95	(21.16) (17.20)	19.72 16.04	13.88 11.29	-	2.70 2.30	-	-	-	-	100%
		2015-16	Takka ₹	27.00 22.83	(21.15) (17.89)	20.84 17.62	14.99 12.68	-	4.47 3.81	-	-	-	-	100%
14	Awam Minerals LLC, Sultanate of Oman ®	2016-17	Omani Riyal ₹	0.05 7.65	(0.09) (15.12)	0.11 18.87	0.16 26.33	-	0.21 36.20	(0.05) (8.55)	-	(0.05) (8.55)	-	51%
		2015-16	Omani Riyal ₹	0.05 7.81	(0.04) (7.00)	0.16 26.82	0.15 26.01	-	0.17 29.30	(0.03) (4.56)	-	(0.03) (4.56)	-	51%
15	PT UltraTech Mining Indonesia	2016-17	Indonesian Rupee ₹	1,158.90 5.64	(1,037.47) (5.06)	121.43 0.58	-	-	-	(1,028.41) (5.21)	-	(1,028.41) (5.21)	-	80%
		2015-16	Indonesian Rupee ₹	1,158.90 5.80	(9.06) (0.05)	1,149.84 5.75	-	-	-	9.01 0.04	-	9.01 0.04	-	80%
16	PT UltraTech Investment Indonesia	2016-17	Indonesian Rupee ₹	1,992.40 9.70	37.51 0.18	2,037.45 9.92	7.54 0.04	-	-	(0.30) (0.00)	-	(0.30) (0.00)	-	100%
		2015-16	Indonesian Rupee ₹	1,992.40 9.97	37.81 0.19	2,037.75 10.19	7.54 0.04	-	-	(1.42) (0.01)	-	(1.42) (0.01)	-	100%
17	PT UltraTech Cement Indonesia	2016-17	Indonesian Rupee ₹	2,033.46 9.90	(1,439.37) (7.01)	596.38 2.90	2.28 0.01	-	-	(1,180.92) (5.97)	-	(1,180.92) (5.97)	-	99%
		2015-16	Indonesian Rupee ₹	2,033.46 10.17	(258.45) (1.29)	1,775.01 8.88	-	-	-	(201.44) (0.97)	-	(201.44) (0.97)	-	99%

® Subsidiaries of UltraTech Cement Middle East Investments Ltd.

UltraTech Cement SA (PTY) (Wholly owned Subsidiary), PT Ultratech Mining Sumatera and UltraTech Cement Mozambique Limitada (Subsidiary's Subsidiary) are yet to start operations and no equity infusion.

Note: For converting the figures given in foreign currency appearing in the accounts of the subsidiary companies into equivalent INR, following exchange rates are used for 1 INR.

Sr. No.	Currency	Balance Sheet (Closing Rate)		Profit & Loss Account (Average Rate)	
		2016-17	2015-16	2016-17	2015-16
1	Sri Lankan Rupee (SLR)	2.3500	2.1973	2.2000	2.1231
2	UAE Dirham (AED)	0.0567	0.0555	0.0548	0.0551
3	Takka	1.2297	1.1824	1.1720	1.1720
4	Bahrain Dirham	0.0058	0.0057	0.0056	0.0057
5	Indonesian Rupee	205.4232	199.8801	197.7457	207.2539
6	Omani Riyal	0.0059	0.0058	0.0057	0.0058

Part "B" - Joint Ventures

(₹ in Crores)

Sr. No.	Name of Associates / Joint Ventures	Madanpura (North) Coal Company Pvt. Ltd.	Bhaskarpara Coal Company Ltd.
1	Latest audited Balance Sheet Date	31.03.2017	31.03.2017
2	Shares of Joint ventures held by the Company on year end		
	Nos.	11,52,560	81,41,050
	Amount of Investment in Joint venture	1.15	8.14
	Extent of Holding (%)	11.17%	47.37%
3	Networth attributable to shareholding as per latest audited Balance Sheet	1.05	7.40
4	Profit /(Loss) for the year	0.05	0.03
	i. Considered in consolidation	0.01	0.01
	ii. Not considered in Consolidation	0.04	0.02

For and on behalf of the Board

S. K. Chatterjee
Company Secretary

Atul Daga
Whole-time Director and CFO
(Din: 06416619)

K. K. Maheshwari
Managing Director
(Din: 00017572)

S. B. Mathur
Director
(Din: 00013239)

Mumbai, 24th April, 2017

ANNEXURE V

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY:

a) Steps taken or impact on conservation of energy

- Modification of cyclone for reduction in power consumption.
- Modification of separator of coal mill for power consumption reduction.
- Modification of cement mill separator for improving separator efficiency, which in turn reduce power consumption.
- Installation of static inlet in coolers for energy consumption.
- Replacement of conventional reciprocating compressors with screw compressor for reduction in power consumption.
- Introduction of novel technology for improving energy efficiency in CPP boilers.
- Replacement of conventional blowers with turbo blowers for power consumption reduction.
- Optimisation of grinding media pattern and filling level of mill to reduce power consumption.
- Installation of expert optimiser in cement plant for specific power consumption reduction.
- Installation of solar heaters and solar lighting to reduce conventional energy consumption.
- Installation of LED lighting for power saving.
- Installation of VFD.
- Replacement of low efficiency fans by high efficiency fans.
- Installation of low primary air burner.
- Installation of Power Management System in captive power plant.
- Installation of high efficiency fans.
- Fuel fineness optimisation, excess air optimisation and reduction in false air ingress, grinding path optimisation of VRMs.
- Installation of new generation separator.

b) Steps taken by the Company for utilising alternate sources of energy

Following mix of alternate source of energy is adopted by the Company:

- Company is spending ₹ 44 crores for installation of necessary infrastructures for handling, feeding and testing of waste material as substitute for natural resources.
- Waste materials utilised as alternative fuel – 195,607 metric tonnes, equivalent to 2.09% of thermal substitution. This includes 79,060 tonnes of waste plastic which has been safely co-processed in our kilns.
- Total capacity of Waste Heat Recovery Systems as on date – 59 MW. Met 7.2% of total power requirement during FY17.
- Solar power installed capacity of 2.6 MWp.
- Wind power installed capacity of 1.13 MW.

c) The capital investment on energy conservation equipment

During the year, the Company has made ₹ 76 crores investment on equipment or various capital schemes for conserving the energy resources.

B. TECHNOLOGY ABSORPTION:

a) Efforts made towards technology absorption

- Productivity enhancement through usage of computational techniques and modeling.
- Implementation of new technology like new burner and high frequency controller to meet out challenges for compliance of new environmental dust and gases norms.
- Six pulse rectifier with three phase transformer technology tin electrostatic precipitators.
- Installation of new generation separator for coal mills and raw mills.

- Installation of new generation gravimetric fuel feeding system.
- Upgradation of existing electrostatic precipitator with Bag house for particulate matter emission reduction.
- Participation in national / international seminars.

b) Benefits derived like product improvement, cost reduction, product development or import substitution

- Reduction in specific energy consumption.
- Improvement in environmental performance of the manufacturing facilities.
- Achieved energy conservation targets assigned under PAT (Perform, Achieve and Trade) targets.
- Improved product quality and customer satisfaction.
- Increased skill development of R&D personnel to face future challenges.
- Raw Mix optimisation for conservation of limestone reserves.
- Use of waste material as substitution of natural raw material.
- Improvement of product quality in East Cluster by using compatible grinding aid and materials.
- Design & development and commercial production of new Brand "UltraTech Super Cement" superior quality of cement under PPC.
- Successful plant trials for manufacturing of new product: Composite Cement at Rawan Cement Works and Andhra Pradesh Cement Works.
- Improvement in product quality for cement exported to Sri Lanka.
- Improvement in packaging bags quality through a systematic study including benchmarking study.
- Alternate vendor development for indigenous sourced refractory for cost reduction for preheater/cooler.
- Substitution of Europe sourced bricks by China, Thailand & Turkey bricks to reduce cost of brick lining in Kiln.
- In-house developed grinding aid being used for cost reduction and this shall be further replicated across the Company.

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year).

Nil

d) Expenditure incurred on Research and Development (R&D)

(₹ in Crores)

		2016-17	2015-16
I	For In-house R&D:		
	Capital Expenditure	2.90	4.17
	Recurring Expenditure	13.31	14.27
	Total In-house R&D Expenditure	16.21	18.44
II	Contribution to Scientific Research Company	12.90	12.77
III	Total R&D Expenditure (I+II)	29.11	31.21
IV	R&D Expenditure as % of turnover	0.12	0.13

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings for the year ended 31st March, 2017: ₹ 491.20 Crores.

Foreign exchange outgo for the year ended 31st March, 2017 : ₹ 169.81 Crores.

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Mumbai, 24th April, 2017

ANNEXURE VI

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, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

Sr. No.	Name of Director/Key Managerial Personnel (KMP) and Designation	Remuneration* of Director/KMP for financial year 2016-17 (₹ in crore)	% increase in remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director/ to median remuneration of employees
1	Kumar Mangalam Birla, Chairman and Non-Executive Director	22.50	18.20	387.90
2	Mrs. Rajashree Birla, Non-Executive Director	1.25	18.20	21.50
3	Arun Adhikari, Independent Director	0.17	54.55	2.90
4	Mrs. Alka Bharucha, Independent Director	0.08	@	1.40
5	R.C. Bhargava, Independent Director	0.16	@	2.80
6	G.M. Dave, Independent Director	0.26	14.29	4.50
7	Mrs. Sukanya Kripalu, Independent Director	0.16	28.00	2.80
8	S. B. Mathur, Independent Director	0.19	72.73	3.30
9	Mrs. Renuka Ramnath, Independent Director	0.17	100.00	2.90
10	D.D. Rathi, Non-Executive Director	0.05	400.00	0.90
11	O. P. Puranmalka, Non-Executive Director	0.01	**	0.20
12	K. K. Maheshwari, Managing Director	7.32	#	126.30
13	Atul Daga, Whole-time Director and Chief Financial Officer	2.16	48.33	37.30
14	S. K. Chatterjee, Company Secretary	0.95	9.60	Not Applicable

* Remuneration includes commission payable to Directors for the year ended 31st March, 2017 which is subject to the approval of the Members of the Company.

** Was Managing Director of the Company till 31st March, 2016.

@ Was Director for part of the financial year 2016-17.

Mr. K.K. Maheshwari appointed as Managing Director of the Company w.e.f. 1st April, 2016.

- ii. The median remuneration of employees of the Company during the financial year was ₹ 5.80 lacs.
- iii. In the financial year, there was an increase of 8.6% in the median remuneration of employees.
- iv. There were 14,240 permanent employees on the rolls of Company as on 31st March, 2017.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 6.9% whereas the increase in the managerial remuneration for the same financial year was 2.0%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE VII

UltraTech Cement Limited ("the Company") an Aditya Birla Group Company adopts/shall adopt this Executive Remuneration Philosophy/Policy as applicable across Group Companies. This philosophy/ policy is detailed below.

Aditya Birla Group: Executive Remuneration Philosophy/Policy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

Our business and organisational model

Our Group is a conglomerate and organised in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

I. Objectives of the Executive Remuneration Program

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. Emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

II. Executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company.
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management.

III. Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

IV. Executive Pay Positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognise the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

V. Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits.

Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

Long-Term Incentive:

Our Long-term incentive plans incentivise stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicle, to motivate and retain our executives.

VI. Performance Goal Setting

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

VII. Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

Other Remuneration Elements

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

Risk and Compliance

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

Claw back Clause

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

Implementation

The Group and Business Centre of Expertise teams will assist the Nomination, Remuneration and Compensation Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

ANNEXURE VIII

Form No. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 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,
UltraTech Cement Limited,
"B" Wing, 2nd Floor,
Ahura Centre, Mahakali Caves Road,
Andheri (East),
Mumbai 400093.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UltraTech Cement Limited (hereinafter called the 'Company') for the audit period from 1st April, 2016 to 31st March, 2017 (the "audit period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder and the Companies Act, 1956 (to the extent applicable to the Company);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of 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');
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (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.
- (vi) We have also examined, on 'test check' basis, the relevant documents and records maintained by the Company under the Mines and Minerals (Development and Regulation) Act, 1957 and Rules thereunder which is applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India related to meetings and minutes;
During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the audit period under review, provisions of the following laws prescribed under the Form no. MR-3 were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and where the same were given at shorter notice than 7 days, proper consent thereof were obtained 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.

Decisions at the meetings of the Board of Directors of the Company and at Committees thereof were carried through unanimously. We 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.

We further report that during the audit period, the following specific events were held:

A. Scheme of Arrangement between the Company, Jaiprakash Associates Limited, Jaypee Cement Corporation Limited and their respective shareholders and creditors ("Scheme").

The Board of Directors of the Company, at its meeting held on 4th July 2016, approved the Scheme for the acquisition of identified cement plants of Jaiprakash Associates Limited and its subsidiary in the State of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh having a capacity of 21.2 mtpa. The Company has received the approvals from the Stock Exchanges, Competition Commission of India, National Company Law Tribunal at Mumbai and Allahabad and the Securities and Exchange Board of India.

B. The Company has allotted the following series of Secured and Unsecured, Redeemable, Non-convertible Debentures on private placement basis: -

- i. 7.57%, 3,000, Secured, Redeemable, Non-convertible Debentures aggregating to Rs 300 Crores (Rupees Three hundred Crores) on 27th July 2016;
- ii. 7.57%, 1,750, Secured, Redeemable, Non-convertible Debentures aggregating to Rs. 175 Crores (Rupees One hundred and seventy-five Crores) on 08th August 2016;
- iii. 7.57%, 2,500, Secured, Redeemable, Non-convertible Debentures aggregating to Rs 250 Crores (Rupees Two hundred and fifty Crores) on 08th August 2016;
- iv. 7.53%, 5,000, Secured, Redeemable, Non-convertible Debentures aggregating to Rs. 500 Crores (Rupees Five hundred Crores) on 22nd August 2016;
- v. 7.15%, 3,000, Secured, Redeemable, Non-convertible Debentures aggregating to Rs 300 Crores (Rupees Three hundred Crores) on 18th October 2016;
- vi. 6.99%, 4,000, Unsecured Redeemable, Non-convertible Debentures aggregating to Rs 400 Crores (Rupees Four hundred Crores) on 24th November 2016;
- vii. 6.93%, 2,500, Unsecured Redeemable, Non-convertible Debentures aggregating to Rs 250 Crores (Rupees Two hundred and fifty Crores) on 25th November 2016.

C. The Competition Commission of India ("CCI"), by its Order dated 31st August, 2016, has imposed penalty on 11 cement companies, including the Company. The CCI Order is pursuant to the directions issued by the Competition Appellate Tribunal ("COMPAT") by its Order dated 11th December, 2015 setting aside the original CCI Order dated 20th June, 2012 and remitting the matter to CCI for fresh adjudication of the issues and passing a fresh Order. The Company has filed appeal before COMPAT against the said CCI Order dated 31st August, 2016. Subsequently, the Company under the directions imposed by the COMPAT has deposited Rs.117.56 crores, being 10% of the penalty imposed under the CCI order dated 31st August, 2016. COMPAT has since granted a stay on the said CCI order.

In a separate matter, the CCI by order dated 19th January, 2017 has imposed penalty of Rs.68.30 crores on the Company pursuant to a reference filed by the Government of Haryana. The Company has filed an appeal against the order before COMPAT.

D. Consent of the Shareholders obtained at the Annual General Meeting held on 19th July, 2016 for the following:

- i) Increase in Borrowing limits from the existing net worth plus Rs 2,000 crore to net worth plus Rs 6,000 crore under section 180(1)(c) of the Act; and
- ii) creation of security on the properties of the company, both present and future, in favour of lenders under Section 180(1)(a) of the Act.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

B. Narasimhan
Partner

Place: Mumbai

Date: 24th April, 2017

FCS No.: 1303 / C P No.: 10440

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
UltraTech Cement Limited,
"B" Wing, 2nd Floor,
Ahura Centre, Mahakali Caves Road,
Andheri (East),
Mumbai 400093

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to UltraTech Cement Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **BNP & Associates**
Company Secretaries
[Firm Regn. No. P2014MH037400]

B. Narasimhan
Partner

Place: Mumbai
Date: 24th April, 2017

FCS No.: 1303 / C P No.: 10440

ANNEXURE IX

Form No. MGT – 9

Extract of Annual Return as on the financial year ended on 31st March, 2017

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	L26940MH2000PLC128420
ii)	Registration Date	24 th August, 2000
iii)	Name of the Company	UltraTech Cement Limited
iv)	Category / Sub-Category of the Company	Public Limited - Limited by shares and company having share capital
v)	Address of the Registered office and contact details	'B' Wing, Ahura Centre, 2 nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093. Tel. No.: 022 66917800/29267800; Fax: 022 66928109
vi)	Whether Listed Company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel: +91 40 67162222 Fax: +91 40 23420814

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		
Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Ordinary Portland and Portland Pozzolana Cement	2394	86%

III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Sl. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Grasim Industries Limited Birlagram, Nagda – 456 331, Madhya Pradesh.	L17124MP1947PLC000410	Holding	60.23	2(46)
2	Dakshin Cements Limited 503, Aditya Trade Centre, 5 th Floor, Ameerpet, Hyderabad – 500 038, Telangana.	U26940TG1993PLC016002	Subsidiary	100	2(87)
3	Harish Cement Limited Ground Floor, Jagjit Complex, Near Naresh Chowk, Sundernagar, Himachal Pradesh - 175 019.	U26941HP1996PLC019173	Subsidiary	100	2(87)
4	Gotan Lime Stone Khanji Udyog Private Limited D-7, Shastri Nagar, Jodhpur, Rajasthan – 342 003.	U14200RJ2012PTC038369	Subsidiary	100	2(87)
5	Bhagwati Limestone Company Private Limited 13, Transport Nagar, Jaipur, Rajasthan – 302 003.	U14101RJ1993PTC007788	Subsidiary	100	2(87)
6	Madanpur (North) Coal Company Private Limited Navbharat Udyog Bhawan Ring Road No-1, Telibandha, Raipur, Chhattisgarh – 492 006.	U10101CT2007PTC020161	Associate	11.17	2(6)

Sl. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
7	Bhaskarpara Coal Company Limited Crystal Tower, 1 st Floor, G. E. Road, Opp. Minocha Petrol Pump, Telibandha, Raipur, Chhattisgarh – 492 006.	U10100CT2008PLC020943	Associate	47.37	2(6)
8	UltraTech Cement Lanka (Pvt.) Limited 81/11/1, New Nuge Road, Peliyagoda, Sri Lanka	Not Applicable	Subsidiary	80	2(87)
9	UltraTech Cement Middle East Investments Limited P. O. Box 4421, Dubai, UAE	Not Applicable	Subsidiary	100	2(87)
10	PT UltraTech Mining Indonesia Menara Bataia, 16 th Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	76	2(87)
11	UltraTech Cement SA (PTY), South Africa 7 West Street, Houghton 2198	Not Applicable	Subsidiary	100	2(87)
12	PT UltraTech Investments Indonesia Menara Bataia, 16 th Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	95	2(87)

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				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	Promoters									
1	Indian									
(a)	Individual/HUF	77,009	-	77,009	0.03	77,009	-	77,009	0.03	0.00
(b)	Central Govt	-	-	-	-	-	-	-	-	-
(c)	State Govt (s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	16,86,89,744	-	16,86,89,744	61.47	16,78,15,728	-	16,78,15,728	61.13	(0.34)
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	16,87,66,753	-	16,87,66,753	61.50	16,78,92,737	-	16,78,92,737	61.16	(0.34)
2	Foreign									
(a)	NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies corp	-	-	-	-	-	-	-	-	-
(d)	Banks/FI	-	-	-	-	-	-	-	-	-
(e)	Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	16,87,66,753	-	16,87,66,753	61.50	16,78,92,737	-	16,78,92,737	61.16	(0.34)
B.	Public Shareholding									
1.	Institutions									
(a)	Mutual Funds	1,05,93,773	5,471	1,05,99,244	3.86	71,83,079	5,471	71,88,550	2.62	(1.24)
(b)	Banks/FI	1,64,198	8,995	1,73,193	0.06	2,53,458	17,303	2,70,761	0.10	0.04

Category of shareholders		No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(c)	Central Govt	1,72,474	-	1,72,474	0.06	2,00,215	-	2,00,215	0.07	0.01
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	85,30,708	1,946	85,32,654	3.11	76,47,234	1,946	76,49,180	2.79	(0.32)
(g)	FIs	5,21,65,905	5,947	5,21,71,852	19.01	6,00,36,751	5,947	6,00,42,698	21.87	2.86
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	7,16,27,058	22,359	7,16,49,417	26.11	7,53,20,737	30,667	7,53,51,404	27.45	1.34
2	Non-Institutions									
(a)	Bodies Corp.	1,09,69,455	87,507	1,10,56,962	4.03	86,10,491	77,566	86,88,057	3.16	(0.86)
	i) Indian	-	-	-	-	-	-	-	-	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,27,16,107	30,95,582	1,58,11,689	5.76	1,26,35,280	29,73,386	1,56,08,666	5.68	(0.08)
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	79,880	-	79,880	0.03	95,393	-	95,393	0.03	-
(c)	Others (specify)									
	NBFCs	-	-	-	-	16,862	-	16,862	0.01	0.01
	Non-Resident (REP)	2,97,805	1,32,857	4,30,662	0.16	5,17,862	-	5,17,862	0.19	0.03
	Non-Resident (Non-REP)	3,09,165	20,768	3,29,933	0.12	42,567	-	42,567	0.02	(0.10)
	Non-Domestic Cos./ OCB	264	14,98,852	14,99,116	0.55	264	14,98,852	14,99,116	0.55	-
	Foreign National	48,638	2,356	50,994	0.02	50,127	1,267	51,394	0.02	-
	Foreign Financial Banks	-	-	-	-	-	-	-	-	-
	Clearing Members	-	-	-	-	10,915	-	10,915	-	-
	Non-Resident Indians	-	-	-	-	60,499	1,46,153	2,06,652	0.08	0.08
	Sub-total (B)(2):	2,44,21,314	48,37,922	2,92,59,236	10.66	2,20,40,260	46,97,224	2,67,37,484	9.74	(0.92)
	Total Public Shareholding (B)=(B)(1)+(B)(2)	9,60,48,372	48,60,281	10,09,08,653	36.77	9,73,60,997	47,27,891	10,20,88,888	37.19	0.42
	TOTAL (A)+(B)	26,48,15,125	48,60,281	26,96,75,406	98.27	26,52,53,734	47,27,891	26,99,81,625	98.35	0.08
C.	Shares held by Custodian for GDRs & ADRs									
	Promoter and Promoter Group	27,44,168	-	27,44,168	1.00	27,44,168	-	27,44,168	1.00	0.00
	Public	20,11,718	85	20,11,803	0.73	17,82,028	85	17,82,113	0.65	(0.08)
	Grand Total (A+B+C)	26,95,71,011	48,60,366	27,44,31,377	100.00	26,97,79,930	47,27,976	27,45,07,906	100.00	0.00

(ii) Shareholding of Promoters								
Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Mr. Kumar Mangalam Birla	3,837	0.00	-	3,837	0.00	-	0.00
2	Aditya Vikram Kumar Mangalam Birla HUF	10,228	0.00	-	10,228	0.00	-	0.00
3	Grasim Industries Limited	16,53,35,150	60.25	-	16,53,35,150	60.23	-	(0.02)
4	Mrs. Rajashree Birla	41,701	0.02	-	41,701	0.02	-	0.00
5	Mrs. Neerja Birla	8,011	0.00	-	8,011	0.00	-	0.00
6	Mrs. Vasavadatta Bajaj	13,232	0.00	-	13,232	0.00	-	0.00
7	Trapti Trading & Investments Pvt. Limited	6,98,276	0.25	-	6,92,676	0.25	-	0.00
8	Birla Group Holdings Pvt. Limited	1	0.00	-	1	0.00	-	0.00
9	Turquoise Investment And Finance Pvt. Ltd.	13,97,565	0.51	-	5,29,149	0.19	-	(0.32)
10	Hindalco Industries Limited	12,58,515	0.46	-	12,58,515	0.46	-	0.00
11	Rajratna Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
12	Vaibhav Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
13	Vikram Holding Pvt. Limited	85	0.00	-	85	0.00	-	0.00
	Total	16,87,66,753	61.50	-	16,78,92,737	61.16	-	(0.34)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)					
Sl. No.	Shareholder's name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Trapti Trading & Investments Private Limited				
	At the beginning of the year	6,98,276	0.25		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of shares on 21 st July, 2016	(5,600)	-	6,92,676	0.25
	At the end of the year			6,92,676	0.25
2	Turquoise Investments & Finance Private Limited				
	At the beginning of the year	13,97,565	0.51		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Sale of shares on 18 th May, 2016	(35,441)	-	13,62,124	0.50
	Sale of shares on 19 th May, 2016	(6,221)	-	13,55,903	0.49
	Sale of shares on 25 th May, 2016	(92,500)	-	12,63,403	0.46
	Sale of shares on 26 th May, 2016	(53,907)	-	12,09,496	0.44
	Sale of shares on 27 th May, 2016	(74,200)	-	11,35,296	0.41
	Sale of shares on 7 th June, 2016	(50,550)	-	10,84,746	0.40
	Sale of shares on 9 th June, 2016	(1,23,250)	-	9,61,496	0.35
	Sale of shares on 10 th June, 2016	(1,800)	-	9,59,696	0.35
	Sale of shares on 13 th June, 2016	(8,000)	-	9,51,696	0.35
	Sale of shares on 27 th June, 2016	(27,500)	-	9,24,196	0.34
	Sale of shares on 28 th June, 2016	(50,000)	-	8,74,196	0.32
	Sale of shares on 29 th June, 2016	(15,650)	-	8,58,546	0.31
	Sale of shares on 30 th June, 2016	(89,677)	-	7,68,869	0.28
	Sale of shares on 17 th March, 2017	(1,01,875)	-	6,66,994	0.24
	Sale of shares on 20 th March, 2017	(1,656)	-	6,65,338	0.24
	Sale of shares on 21 st March, 2017	(27,895)	-	6,37,443	0.23
	Sale of shares on 23 rd March, 2017	(1,000)	-	6,36,443	0.23
	Sale of shares on 24 th March, 2017	(1,800)	-	6,34,643	0.23
	Sale of shares on 29 th March, 2017	(66,678)	-	5,67,965	0.21
	Sale of shares on 30 th March, 2017	(2,000)	-	5,65,965	0.21
	Sale of shares on 31 st March, 2017	(36,816)	-	5,29,149	0.19
	At the end of the year			5,29,149	0.19

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):								
Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Life Insurance Corporation of India	51,03,926	1.86	1-Apr-2016			-	-
				8-Apr-2016	(1,45,178)	Transfer	49,58,748	1.81
				15-Apr-2016	(2,13,634)	Transfer	47,45,114	1.73
				22-Apr-2016	(1,31,597)	Transfer	46,13,517	1.68
				24-Jun-2016	(50,000)	Transfer	45,63,517	1.66
				30-Jun-2016	(95,705)	Transfer	44,67,812	1.63
				1-Jul-2016	(1,18,837)	Transfer	43,48,975	1.58
				8-Jul-2016	(78,562)	Transfer	42,70,413	1.56
				15-Jul-2016	(2,35,613)	Transfer	40,34,800	1.47
				22-Jul-2016	(21,283)	Transfer	40,13,517	1.46
				28-Oct-2016	5,563	Transfer	40,19,080	1.46
				4-Nov-2016	1,74,590	Transfer	41,93,670	1.53
				11-Nov-2016	4,72,573	Transfer	46,66,243	1.70
				18-Nov-2016	4,82,836	Transfer	51,49,079	1.88
				25-Nov-2016	3,18,022	Transfer	54,67,101	1.99
				2-Dec-2016	46,416	Transfer	55,13,517	2.01
		55,13,517	2.01	31-Mar-2017				
2	Oppenheimer Developing Markets Fund	38,81,542	1.41	1-Apr-2016			-	-
				3-Feb-2017	1,11,435	Transfer	39,92,977	1.45
		39,92,977	1.45	31-Mar-2017				
3	Europacific Growth Fund	9,11,649	0.33	1-Apr-2016			-	-
				3-Mar-2017	6,58,683	Transfer	15,70,332	0.57
				10-Mar-2017	8,13,259	Transfer	23,83,591	0.87
				17-Mar-2017	98,292	Transfer	24,81,883	0.90
				24-Mar-2017	6,55,766	Transfer	31,37,649	1.14
		31,37,649	1.14	31-Mar-2017				
4	Aberdeen Global-Emerging Markets Equity Fund	27,30,711	1.00	1-Apr-2016			-	-
				23-Sep-2016	(2,21,225)	Transfer	25,09,486	0.91
				30-Sep-2016	(88,775)	Transfer	24,20,711	0.88
				24-Mar-2017	(2,48,000)	Transfer	21,72,711	0.79
		21,72,711	0.79	31-Mar-2017				
5	Aberdeen Emerging Markets Fund	24,72,250	0.90	1-Apr-2016		No change		
		24,72,250	0.90	31-Mar-2017				
6	Pilani Investment and Industries Corporation Ltd.	24,57,966	0.90	1-Apr-2016		No change		
		24,57,966	0.90	31-Mar-2017				
7	Stichting Depositary Apg Emerging Markets Equity P	16,44,166	0.60	1-Apr-2016			-	-
				3-Jun-2016	(1,32,524)	Transfer	15,11,642	0.55
				10-Jun-2016	(27,476)	Transfer	14,84,166	0.54
				22-Jul-2016	(2,579)	Transfer	14,81,587	0.54
				29-Jul-2016	(865)	Transfer	14,80,722	0.54
				5-Aug-2016	53,000	Transfer	15,33,722	0.56
				23-Sep-2016	(3,253)	Transfer	15,30,469	0.56
				30-Sep-2016	(1,091)	Transfer	15,29,378	0.56
				7-Oct-2016	(4,382)	Transfer	15,24,996	0.56
				21-Oct-2016	(60,000)	Transfer	14,64,996	0.53
				4-Nov-2016	(5,848)	Transfer	14,59,148	0.53
				2-Dec-2016	(5,051)	Transfer	14,54,097	0.53
				23-Dec-2016	9,845	Transfer	14,63,942	0.53
				31-Mar-2017	(15,000)	Transfer	14,48,942	0.53
		14,48,942	0.53	31-Mar-2017				

Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
8	Government of Singapore	9,32,374	0.34	1-Apr-2016			-	-
				8-Apr-2016	(30,069)	Transfer	9,02,305	0.33
				22-Apr-2016	(34,646)	Transfer	8,67,659	0.32
				29-Apr-2016	(24,847)	Transfer	8,42,812	0.31
				6-May-2016	(15,171)	Transfer	8,27,641	0.30
				3-Jun-2016	80	Transfer	8,27,721	0.30
				10-Jun-2016	13,500	Transfer	8,41,221	0.31
				17-Jun-2016	(16,068)	Transfer	8,25,153	0.30
				8-Jul-2016	(9,818)	Transfer	8,15,335	0.30
				22-Jul-2016	(827)	Transfer	8,14,508	0.30
				29-Jul-2016	(7,226)	Transfer	8,07,282	0.29
				5-Aug-2016	(11,590)	Transfer	7,95,692	0.29
				19-Aug-2016	296	Transfer	7,95,988	0.29
				2-Sep-2016	(4,031)	Transfer	7,91,957	0.29
				9-Sep-2016	610	Transfer	7,92,567	0.29
				16-Sep-2016	(815)	Transfer	7,91,752	0.29
				7-Oct-2016	3,690	Transfer	7,95,442	0.29
				21-Oct-2016	(35,948)	Transfer	7,59,494	0.28
				4-Nov-2016	(1,262)	Transfer	7,58,232	0.28
				11-Nov-2016	(1,213)	Transfer	7,57,019	0.28
				18-Nov-2016	35,792	Transfer	7,92,811	0.29
				25-Nov-2016	24,703	Transfer	8,17,514	0.30
				2-Dec-2016	5,48,148	Transfer	13,65,662	0.50
				9-Dec-2016	14,764	Transfer	13,80,426	0.50
				30-Dec-2016	9,376	Transfer	13,89,802	0.51
				6-Jan-2017	8,729	Transfer	13,98,531	0.51
				27-Jan-2017	31,984	Transfer	14,30,515	0.52
				3-Feb-2017	(52,415)	Transfer	13,78,100	0.50
				10-Feb-2017	(19,456)	Transfer	13,58,644	0.49
				3-Mar-2017	(7,081)	Transfer	13,51,563	0.49
				10-Mar-2017	2,584	Transfer	13,54,147	0.49
				31-Mar-2017	(27,911)	Transfer	13,26,236	0.48
		13,26,236	0.48	31-Mar-2017				
9	Aberdeen Emerging Markets Equity Fund, A Series of The Aberdeen Institutional Commingled Funds, LLC	13,00,438	0.47	1-Apr-2016			-	-
				25-Nov-2016	38,807	Transfer	13,39,245	0.49
				2-Dec-2016	1,05,423	Transfer	14,44,668	0.53
				9-Dec-2016	12,770	Transfer	14,57,438	0.53
				24-Mar-2017	(1,41,000)	Transfer	13,16,438	0.48
		13,16,438	0.48	31-Mar-2017				
10	Franklin Templeton Investment Funds	12,14,553	0.44	1-Apr-2016			-	-
				13-May-2016	73,021	Transfer	12,87,574	0.47
				27-May-2016	4,349	Transfer	12,91,923	0.47
				10-Jun-2016	52,800	Transfer	13,44,723	0.49
				17-Jun-2016	2,29,830	Transfer	15,74,553	0.57
				24-Jun-2016	40,000	Transfer	16,14,553	0.59
				30-Jun-2016	1,79,400	Transfer	17,93,953	0.65
				1-Jul-2016	18,900	Transfer	18,12,853	0.66
				8-Jul-2016	1,90,100	Transfer	20,02,953	0.73
				15-Jul-2016	3,01,600	Transfer	23,04,553	0.84
				23-Dec-2016	60,000	Transfer	23,64,553	0.86
				24-Feb-2017	68,600	Transfer	24,33,153	0.89
				3-Mar-2017	2,51,400	Transfer	26,84,553	0.98
		26,84,553	0.98	31-Mar-2017				

Sl. No.	Name of shareholder	Shareholding		Date of transaction	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year / at the end of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
11	General Insurance Corporation of India	11,40,117	0.42	1-Apr-2016			-	-
				17-Mar-2017	(20,000)	Transfer	11,20,117	0.41
				24-Mar-2017	(30,653)	Transfer	10,89,464	0.40
				31-Mar-2017	(29,347)	Transfer	10,60,117	0.39
		10,60,117	0.39	31-Mar-2017				
12	J P Morgan Sicav Investment Company (Mauritius) Limited	10,97,092	0.40	1-Apr-2016			-	-
				30-Dec-2016	(75,000)	Transfer	10,22,092	0.37
				13-Jan-2017	(41,917)	Transfer	9,80,175	0.36
				27-Jan-2017	(58,793)	Transfer	9,21,382	0.34
				24-Mar-2017	(14,366)	Transfer	9,07,016	0.33
		9,07,016	0.33	31-Mar-2017				

v. Shareholding of Directors and Key Managerial Personnel ("KMP")					
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kumar Mangalam Birla	14,065	0.01	14,065	0.01
2	Mrs. Rajashree Birla	41,701	0.02	41,701	0.02
3	R. C. Bhargava*	129	0.00	129	0.00
4	S. B. Mathur	57	0.00	-	0.00
5	D. D. Rathi	2,515	0.00	2,515	0.00
6	O.P. Puranmalka	11,832	0.00	27,319	0.01
7	Atul Daga	230	0.00	1,900	0.00
8	S. K. Chatterjee	523	0.00	1,507	0.00

* Mr. R. C. Bhargava resigned w.e.f 20th July, 2016.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.					(₹ in Crores)
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	4,226	4,024	-	8,250
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	105	8	-	113
	Total (i+ii+iii)	4,331	4,032	-	8,363
Change in Indebtedness during the financial year					
•	Addition	1,525	1,403	-	2,928
•	Reduction	2,754	2,183	-	4,937
	Net Change	3,102	3,252	-	6,354
Indebtedness at the end of the financial year					
i)	Principal Amount	2,997	3,244	-	6,241
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	112	26	-	138
	Total (i+ii+iii)	3,108	3,270	-	6,379

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
A. Remuneration to Managing Director, Whole-time Director and/or Manager				
(₹ in Crores)				
Sl. No.	Particulars of Remuneration	Name of MD/WT/Manager		Total Amount
		K. K. Maheshwari Managing Director	Atul Daga* Whole-time Director & CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income- Tax Act, 1961	6.84	1.90	8.74
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.10	0.13	0.23
	(c) Profit in lieu of Salary under section 17(3) of the Income - Tax Act, 1961	-	-	-
2	Stock Option	-	0.12	0.12
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	6.94	2.15	9.09
	Ceiling as per the Act (being 10% of the net profit as worked out as per Section 198 of the Companies Act, 2013)			374.24

* Mr. Atul Daga, CFO appointed as Whole-time Director w.e.f. 9th June, 2016.

B. REMUNERATION TO OTHER DIRECTORS									
(₹ in Crores)									
Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
1.	Independent Directors	Arun Adhikari	R. C. Bhargava	G. M. Dave	Mrs. Sukanya Kripalu	S. B. Mathur	Mrs. Renuka Ramnath	Mrs. Alka Bharucha	
	Fee for attending Board / Committee Meetings	0.04	0.03	0.06	0.03	0.03	0.03	0.02	0.24
	Commission	0.17	0.16	0.26	0.16	0.19	0.17	0.08	1.19
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	0.21	0.19	0.32	0.19	0.22	0.20	0.10	1.43
2.	Other Non-Executive Directors	Kumar Mangalam Birla	Mrs. Rajashree Birla	Rajiv Dube	D. D. Rathi	O.P. Puranmalka			
	Fee for attending Board / Committee Meetings	0.03	0.03	0.02	0.06	0.04			0.18
	Commission	22.50	1.25	-	0.05	0.01			23.81
	Others, please specify	-	-	-	-	-			-
	Total (2)	22.53	1.28	0.02	0.11	0.05			23.99
	Total (B) = (1+2)								25.42
	Total Managerial Remuneration								34.51
	Overall Ceiling as per the Act (being 11% of the net profit as worked out as per Section 198 of the Companies Act, 2013)								411.66

C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER/ WTD			(₹ in Crores)
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Atul Daga CFO*	S. K. Chatterjee Company Secretary	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1.90	0.89	2.79
	(b) Value of Perquisites under section 17(2) of the Income Tax Act, 1961	0.13	0.04	0.17
	(c) Profit in lieu of Salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	0.12	0.29	0.41
3	Sweat Equity	-	-	-
4	Commission - as % of Profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	2.15	1.22	3.37
* Mr. Atul Daga, CFO appointed as Whole-time Director w.e.f. 9 th June, 2016.				
VII.	PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES			
	There were no penalties / punishment / compounding of offences for year ended 31 st March, 2017.			

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Mumbai, 24th April, 2017

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is all about how a company is managed and the role and relationship between a Company and its stakeholders. It entails conducting business in a fair, transparent and ethical manner, promoting sustainable development and enhancing stakeholder value.

Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

In terms of the Listing Regulations, the details of compliance for the year ended 31st March, 2017 are as follows:

I. BOARD OF DIRECTORS

• Composition

Your Company's Board comprises of 12 (twelve) Directors, which includes the Managing Director, the Whole-time Director and 6 (six) Independent Directors. The details of the Directors with regard to outside directorships and committee positions are as follows:

Name of Director	Executive/Non- Executive/ Independent ¹	No. of outside directorship(s) held ²	No. of outside committee position(s) held ³	
		Public	Chairman	Member
Kumar Mangalam Birla	Non-Executive	8	-	-
Mrs. Rajashree Birla	Non-Executive	7	-	-
Arun Adhikari	Independent	1	-	1
Mrs. Alka Bharucha ⁴	Independent	5	1	1
G.M. Dave	Independent	5	1	3
Mrs. Sukanya Kripalu	Independent	3	-	1
S. B. Mathur	Independent	9	3	3
O. P. Puranmalka	Non-Executive	-	-	-
Mrs. Renuka Ramnath	Independent	8	1	2
D.D. Rathi	Non-Executive	-	-	-
K. K. Maheshwari	Managing Director	-	-	-
Atul Daga ⁵	Whole-time Director & CFO	1	-	-

1. Independent Director means a Director as defined under Clause 16 of the Listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").
2. Excluding directorships in private limited companies, foreign companies and companies under Section 8 of the Act.
3. Only two committees viz. the Audit Committee and the Stakeholders Relationship Committee of all public limited companies are considered.
4. Mrs. Alka Bharucha appointed as Independent Director on the Board w.e.f 9th June, 2016.
5. Mr. Atul Daga, Chief Financial Officer ("CFO") was appointed as Additional Director and Whole-time Director w.e.f 9th June, 2016.
6. No Director is related to any other Director on the Board, except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.

• Non-Executive Directors' compensation and disclosures

Sitting fees / commission paid to the Non-Executives Directors and Independent Directors are recommended by the Nomination, Remuneration and Compensation Committee of the Board of Directors and approved by the Board of Directors and shareholders. The details of sitting fees / commission paid to the Non-Executive Directors and Independent Directors are given separately in this Report.

• Other provisions as to Board and Committees

The number of Board meetings held during the year, dates on which held and number of Directors present are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
25 th April, 2016	12	11
9 th June, 2016	12	8
4 th July, 2016	14	10
19 th July, 2016	14	13
17 th October, 2016	12	11
21 st January, 2017	12	10
14 th February, 2017	12	9

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board.

The Board has unfettered and complete access to any information within your Company. Members of the Board freely express their views on the meeting agenda and discuss pertinent issues at the meeting with the permission of the Chairman. The Board periodically reviews all the relevant information, which is required

to be placed before it pursuant to Schedule II to Regulation 17 of the Listing Regulations and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure etc. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfils stakeholder aspirations and societal expectations.

In addition to the quarterly meetings, the Board also meets to address specific needs and business requirements of your Company.

The details of attendance of each Director at the Board meetings and the last Annual General Meeting ("AGM") are as follows:

Name of Director	No. of Board Meetings		Attended Last AGM®
	Held	Attended	
Kumar Mangalam Birla	7	5	Yes
Mrs. Rajashree Birla	7	6	Yes
Arun Adhikari	7	6	Yes
R.C. Bhargava ¹	7	3	Yes
Mrs. Alka Bharucha	7	3	Yes
G.M. Dave	7	6	No
Rajiv Dube ²	7	3	Yes
Mrs. Sukanya Kripalu	7	6	Yes
S. B. Mathur	7	4	Yes
O. P. Puranmalka	7	7	Yes
Mrs. Renuka Ramnath	7	4	No
D.D. Rathi	7	7	Yes
K. K. Maheshwari	7	7	Yes
Atul Daga	7	5	Yes

[®] AGM held on 19th July, 2016 at Nehru centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai-400 018.

1. Mr. R. C. Bhargava resigned as Director w.e.f the close of business hours on 20th July, 2016.

2. Mr. Rajiv Dube resigned as Director w.e.f the close of business hours on 20th July, 2016.

• Code of Conduct

The Board of Directors have laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is posted on your Company's website www.ultratechcement.com.

All Board members and senior management personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director is attached and forms part of this Annual Report.

• Induction and training

A letter of appointment together with an induction kit is given to Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities. The Directors are familiarised with your Company's business and its operations. Interactions are held between the Directors and senior management of your Company. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. They are periodically updated on the industry scenario, changes in regulatory framework and the impact thereof on the working of your Company. Familiarisation programme imparted to Directors of the Company is available on your Company's website www.ultratechcement.com.

• Performance evaluation of Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, Committees thereof and individual Directors. The evaluation is based on criteria which includes, among others, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees. The directors completed questionnaires providing feedback on functioning of the Board, Committees and Chairman of the Board.

• Independent Director's meeting

A meeting of the Independent Directors was held, inter alia, to discuss evaluation of the performance of Non-Independent Directors, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the 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 suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

• Prevention of Insider Trading

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of your Company ("the Insider Code"). The Insider Code aims at preserving and preventing misuse

of unpublished price sensitive information. All Directors, Designated Employees and Connected Persons of your Company are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company.

II. AUDIT COMMITTEE

• Composition, meetings, attendance during the year and sitting fees paid

The Audit Committee of the Board comprises four Non-Executive out of which three are Independent Directors. The members of the Audit Committee are financially literate. The composition of the Audit Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

During the year, the Audit Committee meetings were held on 25th April, 2016; 22nd June, 2016; 4th July, 2016; 19th July, 2016; 17th October, 2016; 20th December, 2016, 21st January, 2017 and 23rd March, 2017.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
R.C. Bhargava ¹	8	4	1.00
G.M. Dave	8	7	1.75
S. B. Mathur ²	8	4	1.00
Mrs. Renuka Ramnath	8	4	1.00
D. D. Rathi ²	8	4	1.00

1. Mr. R. C. Bhargava ceased to be a member of the Committee upon his resignation from the Board with effect from 20th July, 2016.

2. Mr. S. B. Mathur and Mr. D. D. Rathi were appointed as members of the Committee with effect from 3rd August, 2016.

Mr. S. B. Mathur is the Chairman of the Committee.

Permanent Invitees

Mr. K. K. Maheshwari - Managing Director of your Company
Mr. Atul Daga - Whole-time Director & CFO of your Company

The Statutory and Internal Auditors of your Company attend the Audit Committee meetings.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee acts as a link between the management, the statutory and internal auditors and the Board.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting.

The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of your Company, oversight of your Company's financial reporting process so as to ensure that the financial statements are correct, sufficient and credible.

• Role

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.

- Recommendation for appointment, remuneration and terms of appointment of auditors of your Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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 Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 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.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of your Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of your Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- Discussion with internal auditors of any significant findings and follow up there on.
- 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.
- 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 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.

• **The Audit Committee reviews the following information**

- 1 Management Discussion and Analysis of financial condition and results of operations;
- 2 Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- 3 Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- 4 Internal audit reports relating to internal control weaknesses;
- 5 The appointment, removal and terms of remuneration of the Chief Internal Auditor;
6. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1) of the Listing Regulations.
 - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

• **Vigil Mechanism/Whistle Blower Policy**

The Company has in place a vigil mechanism pursuant to which a Values Committee has been constituted for addressing complaints received from Directors and employees concerning unethical behaviour, actual or suspected fraud and violation of the Code of Conduct or Ethics Policy of your Company. The policy provides for adequate safeguards against victimisation and all personnel have access to the Audit Committee. The policy is also posted on the Company's website viz. www.ultratechcement.com.

III. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

• **Composition, meetings, attendance during the year and sitting fees paid**

During the year, the Nomination, Remuneration and Compensation Committee ("the Nomination Committee") met thrice to deliberate on various matters. The meetings were held on 25th April, 2016; 9th June, 2016 and 17th October, 2016.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
Kumar Mangalam Birla	3	2	0.40
Arun Adhikari	3	3	0.60
G.M. Dave	3	3	0.60

Mr. G. M. Dave is the Chairman of the Committee.

• **Terms of reference of the Nomination Committee**

The Nomination Committee is authorised to:

- set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior management of the quality required to run your Company successfully;
- set the relationship of remuneration to performance;
- check whether the remuneration provided to Directors and Senior management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of your Company and its goals;
- formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in Senior management and recommend the same to the Board;
- review and implement succession and development plans for Managing Director, Executive Directors and Senior management;
- devise a policy on Board diversity;
- formulate the criteria for determining qualifications, positive attributes and independence of Directors.

Employee Stock Options Scheme – 2006 ("ESOS-2006")

During the year, the Nomination Committee vested 1,633 Stock Options to eligible employees, subject to the provisions of the ESOS – 2006, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further, the Nomination Committee allotted 13,439 equity shares of ₹10/- each of your Company to Option Grantees pursuant to the exercise of Stock Options under ESOS -2006.

Employee Stock Options Scheme – 2013 ("ESOS-2013")

During the year, the Nomination Committee vested 56,154 Stock Options and 57,799 Restricted Stock Units to eligible employees, subject to the provisions of the ESOS – 2013, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further, the Nomination Committee allotted 63,090 equity shares of ₹ 10/- each of your Company to Option Grantees pursuant to the exercise of Stock Options under ESOS -2013.

During the year, the Nomination Committee granted 44,411 Stock Options and 15,687 Restricted Stock Units to eligible employees of your Company subject to the provisions of ESOS - 2013.

• **Remuneration Policy**

Your Company has adopted Executive Remuneration Philosophy/ Policy and the same is disclosed in this Annual Report.

IV. SUBSIDIARY COMPANY

Your Company does not have any material non-listed Indian subsidiary company. The Audit Committee and Board reviews the financial statements, significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board. Your Company has unlisted subsidiary companies in Sri Lanka, Middle East and Indonesia. The financial results of these companies are presented to your Company's Board. The policy for determining material subsidiaries is available on your Company's website viz. www.ultratechcement.com.

V. RISK MANAGEMENT

In terms of the provisions of the Listing Regulations, your Company has constituted a Risk Management Committee comprising of Mr. Arun Adhikari – Independent Director, Mr. K. K. Maheshwari – Managing Director and Mr. K. C. Jhanwar – Deputy Managing Director and Chief Manufacturing Officer. Mr. Atul Daga – Whole-time Director & CFO of your Company, is a permanent invitee of the Committee.

The Risk Management Committee is mandated to review the risk management process of your Company.

The objectives and scope of the Risk Management Committee broadly include:

- Identification of risk relating to business;
- Assessment and classification of risk associated with the business;
- Mitigation plans to minimize risk;
- Monitoring various risk.

The Directors' Report and Management Discussion & Analysis sets out the risks identified and the mitigation plans thereof.

VI. RELATED PARTY TRANSACTIONS

Related party transactions entered by your Company during the year were on arm's length basis and in the ordinary course of business. There were no material transactions with any related party as defined under the Act and Listing Regulations. All related party transactions

have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website viz. www.ultratechcement.com.

VII. DISCLOSURES

• Disclosures on materially significant related parties

During the year, there were no material transactions with related parties of your Company.

Particulars of related party transactions are listed out in Note 38 of the Accounts.

- Your Company has followed all relevant accounting standards while preparing the financial statements.

• Remuneration of Directors

Based on the recommendation of the Nomination Committee, all decisions relating to remuneration of Directors are taken by the Board of Directors of your Company in accordance with the shareholders approval, wherever necessary.

Shareholders have approved payment of commission to the Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of your Company. Based on the performance evaluation of each Director and the remuneration policy, the Board has fixed the amount to be paid as commission. For the year 2016 – 2017, the Board has approved payment of ₹ 25 crores as commission to the Non-Executive Directors.

Details of remuneration paid / to be paid to the Directors for attending Board meetings, and their shareholding in your Company are as under:

Name of Director	Sitting fees paid (₹ in lacs)	Commission payable (₹ in lacs)	Number of shares held
Kumar Mangalam Birla	2.50	2,250.00	14,065
Mrs. Rajashree Birla	3.00	125.00	41,701
Arun Adhikari	3.00	17.00	-
Mrs. Alka Bharucha	1.50	8.00	-
R.C. Bhargava	1.50	16.00	129
G.M. Dave	3.00	26.00	-
Rajiv Dube	1.50	Nil	-
Mrs. Sukanya Kripalu	3.00	16.00	-
S. B. Mathur	2.00	19.00	-
O. P. Puranmalka	3.50	1.00	27,319
Mrs. Renuka Ramnath	2.00	17.00	-
D.D. Rathi	3.50	5.00	2,515
K. K. Maheshwari	Nil	Nil	-
Atul Daga	Nil	Nil	1,900

The Directors do not hold any convertible instruments of your Company.

The details of remuneration paid to the Executive Directors are as follows:

Executive Director	Relationship with other Director	Remuneration during 2016-17			
		All elements of remuneration package i.e. salary, benefits, pensions etc.	Performance linked incentives, alongwith performance criteria (a)	Service contracts, notice period, severance fee	Stock option details, if any
K.K. Maheshwari Managing Director	-	₹ 732.41 lacs	-	See note (b)	See note (c)
Atul Daga Whole-time Director & CFO	-	₹ 192.71 lacs	₹ 23.62 lacs	See note (d)	See note (e)

- (a) Mr. Atul Daga was paid a sum of ₹ 23.62 lacs towards performance linked incentive for achievement of targets for the year 2015 – 16 in his capacity as CFO.
- (b) Mr. K. K. Maheshwari was appointed on the Board as Additional Director and Managing Director w.e.f 1st April, 2016. Appointment of Mr. K. K. Maheshwari as Managing Director is subject to termination by three months' notice in writing on either side.
- (c) In terms of your Company's Employee Stock Option Scheme-2013 ("ESOS-2013"), 15,042 Stock Options and 5,313 Restricted Stock Units have been granted to Mr. K. K. Maheshwari during the year.
- (d) Mr. Atul Daga, CFO was appointed on the Board as Additional Director and Whole-time Director w.e.f 9th June, 2016. Appointment of Mr. Atul Daga as Whole-time Director & CFO is subject to termination by three months' notice in writing on either side.
- (e) In terms of ESOS-2013, 1,570 stock options have vested in Mr. Atul Daga during the year.

There were no pecuniary relationships or transactions between your Company and Non-Executive Directors during the year. For further details please refer to the Directors' Report and Management Discussion & Analysis.

All decisions relating to the remuneration of the Executive Directors are taken by the Board based on the remuneration policy and in terms of the resolution passed / by the shareholders of your Company.

• Management

- The Management Discussion & Analysis forms part of the Directors' Report and is in accordance with the requirements of the Listing Regulations.
- No material transaction has been entered into by your Company with its related parties that may have a potential conflict with interests of your Company.

• Shareholders

- Details of the Directors seeking re-appointment / appointment at the ensuing AGM, are provided in the Notice convening the AGM.
- Press Releases and financial results are made available on the website of your Company (www.ultratechcement.com) and also that of the Aditya Birla Group (www.adityabirla.com).

• Stakeholder Relationship Committee

Composition, meeting, attendance and sitting fees paid during the year:

A Stakeholder Relationship Committee has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director.

During the year, the Stakeholder Relationship Committee met on 25th April, 2016, 19th July, 2016, 17th October, 2016 and 21st January, 2017. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lacs)
	Held	Attended	
R. C. Bhargava ¹	4	2	0.40
G. M. Dave	4	3	0.60
Mrs. Sukanya Kripalu ²	4	2	0.40
D. D. Rath	4	4	0.80

1. Mr. R. C. Bhargava ceased to be a member of the Committee upon his resignation from the Board with effect from 20th July, 2016.

2. Mrs. Sukanya Kripalu was appointed as member with effect from 3rd August, 2016.

Consequent to resignation of Mr. R. C. Bhargava, Mr. G. M. Dave has been appointed as the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee and is also the Compliance Officer.

Your Company's shares are compulsorily traded in the dematerialised form. To expedite transfers in the physical segment, necessary authority has been delegated by your Board to Director(s) and Officer(s) of your Company to approve transfers / transmissions of shares / debentures. Details of share transfers / transmissions approved by the Directors and Officers are placed before the Board.

• Role

The Committee looks into:

- issues relating to share/debenture holders including transfer/ transmission of shares/debentures;
- issue of duplicate share/debenture certificates;
- non-receipt of dividend;
- non-receipt of annual report;
- non-receipt of share certificate after transfers;
- delay in transfer of shares;
- any other complaints of shareholders.

• Number of shareholders' complaint received so far / number not solved to the satisfaction of shareholders / number of pending complaints

Details of complaints received, number of shares transferred during the year, time taken for effecting these transfers and the number of share transfers pending are furnished in the "Shareholder Information" section of this Annual Report.

• Details of non-compliance by the Company, penalties and strictures imposed on the Company by stock exchanges or the Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter relating to capital markets, during the year

There has been no instance of non-compliance by the Company on any matter related to capital markets during the year under review and hence no strictures/penalties have been imposed on the Company by the stock exchanges or the Securities and Exchange Board of India ("SEBI") or any statutory authority.

• Finance Committee

A Finance Committee has been constituted at the Board level, under the Chairmanship of a Non-Executive Director. The Finance Committee comprises of Mr. D. D. Rath, Mrs. Alka Bharucha (w.e.f 3rd August, 2016 upon resignation of Mr. R. C Bhargava) and Mr. Arun Adhikari.

During the year, the Finance Committee met on 25th April, 2016; 19th July, 2016 and 17th October, 2016.

The Committee is authorised to exercise all powers and discharge all functions relating to working capital management, foreign currency contracts, operation of bank accounts and authorising officers of your Company to deal in matters relating to excise, sales tax, income tax, customs and other judicial or quasi-judicial authorities.

• Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee comprises of Mrs. Rajashree Birla, Mr. G. M. Dave, Mr. O. P. Puranmalka and Mr. K. K. Maheshwari.

Dr. Pragnya Ram, Group Executive President, Corporate Communication & CSR is a permanent invitee to the Committee.

The Company Secretary shall act as Secretary to the Committee.

During the year, the CSR Committee met on 23rd March, 2017.

The CSR Committee recommends to the Board the activities to be undertaken during the year and amount to be spent on these activities. The CSR Policy and the CSR Report forms part of this Annual Report.

• Proceeds from public issues, rights issues, preferential issues

During the year, your Company did not raise any funds by way of public issues, rights issues, preferential issues etc.

VIII. CEO/CFO Certification

The Managing Director and the Whole-time Director & CFO of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

IX. REPORT ON CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

X. COMPLIANCE

- A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.

• Status of Compliances of Non – Mandatory Requirements

1. Your Company maintains a separate office for its Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
2. The position of the Chairman of the Board of Directors and the Managing Director are separate.
3. The Internal Auditors report to the Audit Committee.
4. The statutory financial statements of your Company are unqualified.

XI. GENERAL BODY MEETINGS

Date and time of the AGMs, held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

2016

Date and time: 19th July, 2016; 3:30 p.m.

Place: Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai-400 018

• Special Resolution passed:

- Issue of Redeemable Non-Convertible Debentures, secured or unsecured in one or more series/tranches aggregating to an amount not exceeding ₹ 9,000 crores.
- Increase in borrowing limit of the Company to an amount not exceeding ₹ 6,000 crores over and above the aggregate of the paid-up share capital of the Company and its free reserves.
- Creation of security on the properties of the Company, both present and future, in favour of lenders.
- Increase in limits for investment in the equity share capital of the Company by Registered Foreign Portfolio Investors including Foreign Institutional Investors from 24% to 30%.

2015

Date and time: 28th August, 2015; 3.00 p.m.

Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

• Special Resolution passed:

Issue of Redeemable Non-Convertible Debentures, secured or unsecured in one or more series/tranches aggregating to an amount not exceeding ₹ 9,000 crores.

2014

Date and time: 6th August, 2014; 3.00 p.m.

Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

XII. MEANS OF COMMUNICATION

• Quarterly results

- Which newspapers normally published in:

Newspaper	Cities of Publication
Business Standard	All editions
Economic Times	All editions
Free Press Journal	Mumbai
Navshakti	Mumbai

- Any website, where displayed

www.ultratechcement.com

www.adityabirla.com

- Whether your Company's website displays

All official news releases	Yes
Presentation made to Institutional Investors/Analysts	Yes

CODE OF CONDUCT DECLARATION

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2017.

Mumbai
24th April, 2017

K. K. Maheshwari
Managing Director
(DIN: 00017572)

CEO/CFO CERTIFICATION

The Board of Directors
UltraTech Cement Limited

We certify that:

1. We have reviewed the financial statement, read with the cash flow statement of UltraTech Cement Limited ("the Company") for the year ended 31st March, 2017 and to best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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 existing accounting standards, applicable laws and regulations.
2. 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;
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) significant changes in the Company's internal control over financial reporting during the year.
 - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - c) instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

Mumbai
24th April, 2017

K. K. Maheshwari
Managing Director
(DIN: 00017572)

Atul Daga
Whole-time Director & CFO
(DIN: 06416619)

SHAREHOLDER INFORMATION

1.	Annual General Meeting	
	-Date and Time	Tuesday, 18 th July, 2017 at 3:30 p.m.
	-Venue	Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025
2.	Financial Calendar	
	• Financial reporting for the quarter ending 30 th June, 2017	End July, 2017
	• Financial reporting for the half year ending 30 th September, 2017	End October, 2017
	• Financial reporting for the quarter ending 31 st December, 2017	End January, 2018
	• Financial reporting for the year ending 31 st March, 2018	End April, 2018
	• Annual General Meeting for the year ending 31 st March, 2018	End July/August, 2018
3.	Dates of Book Closure	Wednesday, 12 th July, 2017 to Tuesday, 18 th July, 2017 (both days inclusive)
4.	Dividend Payment Date	On or after Wednesday, 19 th July, 2017
5.	Registered Office	UltraTech Cement Limited "B" Wing, Ahura Centre, 2 nd Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400093. Tel.: (022) 66917800 Fax: (022) 66928109 Email: sharesutcl@adityabirla.com Web: www.ultratechcement.com www.adityabirla.com CIN: L26940MH2000PLC128420

6. (a) Listing Details:

Equity Shares	Non-Convertible Debentures	Global Depository Receipts (GDRs)
1. BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Limited "Exchange Plaza", Plot No. C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	Luxembourg Stock Exchange Societe De La Bourse de Luxembourg
2. National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051		Postal Address: B.P. 165 L-2011 Luxembourg Mailing Address: 35 A, Boulevard Joseph II L-1840 Luxembourg.

Note: Listing fees for the year 2017 – 18 has been paid to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Listing fee for the GDRs has been paid to Luxembourg Stock Exchange (LSE) for the calendar year 2017.

(b) Name and address of Trustees
for the Debentureholders

: SBICAP Trustee Company Ltd
Appejay House, 6th Floor,
West Wing, Dinshaw Wachha Road,
Churchgate, Mumbai – 400 020
Tel No: (022) 4302 5555
Fax No: (022) 4302 5500

(c) Overseas Depository for GDRs

: Citibank N. A.
Depository Receipt Services
388, 23rd Floor, Greenwich Street,
New York; NY-10013 USA
Tel: +212 – 816 – 6852
Fax: +212 –816 – 6876

(d) Domestic Custodian of GDRs

: Citibank N.A.
Custody Services
FIFC 11th Floor, C 54 & 55, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 098
Tel: (022) 61756895
Fax: (022) 26532205

7. Stock Code

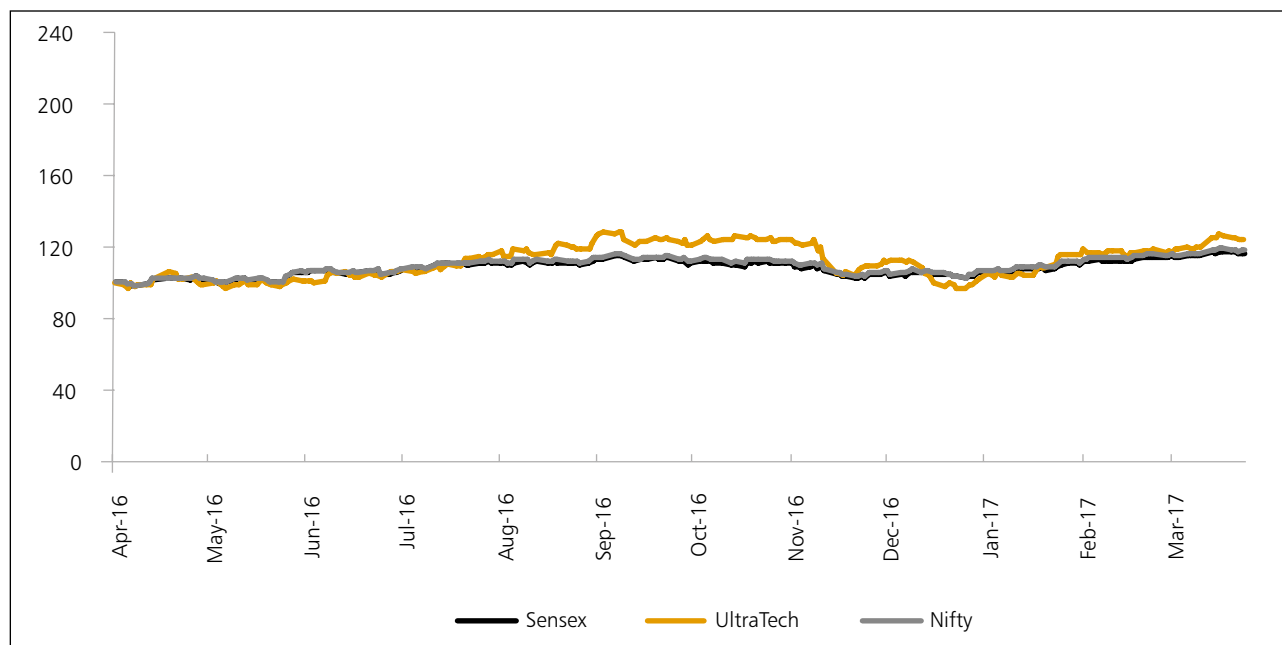
: ISIN for equity shares – INE481G01011
: ISIN for 144A GDRs – US90403E1038
: ISIN for Level 1 GDRs – US90403E2028

	Stock Code	Reuters	Bloomberg
BSE	532538	ULTC.BO	UTCEM IB
NSE	ULTRACEMCO	ULTC.NS	UTCEM IS
LSE			UTCEM LX

8. Stock Price Data:

	BSE				NSE				LSE		
	High	Low	Close	Volume (In Nos.)	High	Low	Close	Volume (In Nos.)	High	Low	Close
	(In ₹)				(In ₹)				(In USD)		
Apr-16	3,452.95	3,080.00	3,162.45	3,23,225	3,454.90	3,092.50	3,161.45	57,69,501	51.56	43.60	47.59
May-16	3,300.00	3,050.00	3,229.35	2,91,274	3,269.50	3,062.05	3,226.70	46,34,505	48.77	43.50	48.27
Jun-16	3,437.00	3,176.10	3,411.90	4,90,631	3,438.00	3,183.30	3,411.00	48,78,801	50.80	44.99	50.56
Jul-16	3,737.00	3,350.00	3,705.75	6,07,806	3,739.40	3,346.35	3,718.20	53,25,468	55.48	49.94	55.48
Aug-16	4,065.00	3,636.60	4,029.15	2,88,171	4,063.90	3,636.75	4,028.70	50,68,103	60.51	54.58	60.18
Sep-16	4,130.00	3,835.75	3,857.90	2,15,652	4,129.70	3,833.60	3,851.55	52,72,115	62.12	56.55	58.05
Oct-16	4,069.55	3,857.90	3,971.40	2,10,740	4,074.70	3,853.60	3,964.25	44,82,437	60.63	58.58	59.62
Nov-16	3,992.30	3,280.00	3,594.20	3,50,278	3,990.00	3,275.00	3,603.45	1,52,73,051	59.82	47.51	52.72
Dec-16	3,666.45	3,052.00	3,245.75	2,72,433	3,668.00	3,050.00	3,250.20	64,31,225	53.78	45.79	47.86
Jan-17	3,762.75	3,262.00	3,693.75	3,59,950	3,764.00	3,261.00	3,694.45	50,39,963	54.95	47.00	54.73
Feb-17	3,805.00	3,634.60	3,772.45	2,63,415	3,805.00	3,634.10	3,774.55	40,85,621	56.97	50.90	56.57
Mar-17	4,088.00	3,720.50	3,989.95	1,032,462	4,093.95	3,720.00	3,984.75	64,75,663	61.92	49.00	61.52

9. Stock Performance:



10. Stock Performance and Returns:

Absolute Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	23.41	82.21	163.10
BSE Sensex	16.88	32.32	70.19
NSE Nifty	18.55	36.84	73.24

Annualised Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	23.41	22.14	21.35
BSE Sensex	16.88	9.78	11.22
NSE Nifty	18.55	11.02	11.62

11. Registrar and Transfer Agents ("RTA"):

(For shares transfers and other communication relating to share certificates, dividend and change of address)

Karvy Computershare Pvt. Ltd.

Karvy Selenium, Tower B, Plot number 31 - 32,
 Financial District, Gachibowli, Nanakramguda,
 Hyderabad – 500 032
 Tel: +91 40 6716 2222
 Fax: +91 40 2342 0814
 Email: ultratech.ris@karvy.com

12. Share Transfer system:

Share transfer in physical form are registered and returned within a period of 12 days from the date of receipt, if the documents are clear in all respects. Officers of your Company have been authorised to approve transfers upto 500 shares in physical form under one transfer deed. One Director jointly with one Officer of your Company have been authorised to approve the transfers exceeding 5,000 shares under one transfer deed.

The RTA attends to investor grievances in consultation with the Secretarial Department of your Company.

Transfer Period (in days)	2016-17			2015-16		
	No. of transfers	No. of shares	%	No. of transfers	No. of shares	%
1 – 15	697	19,378	100	651	31,487	100
Total	697	19,378	100	651	31,487	100

Number of pending share transfers as at 31st March, 2017 : Nil

13. Investor Services:

Complaints received during the year

Nature of Complaints	2016-17		2015-16	
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission, Dividend, Demat and Change of address etc.	29	26*	25	25

* 3 complaints were pending as on 31st March, 2017 which were resolved subsequently

Legal proceedings on share transfer issues, if any : No major legal proceedings relating to transfer of shares.

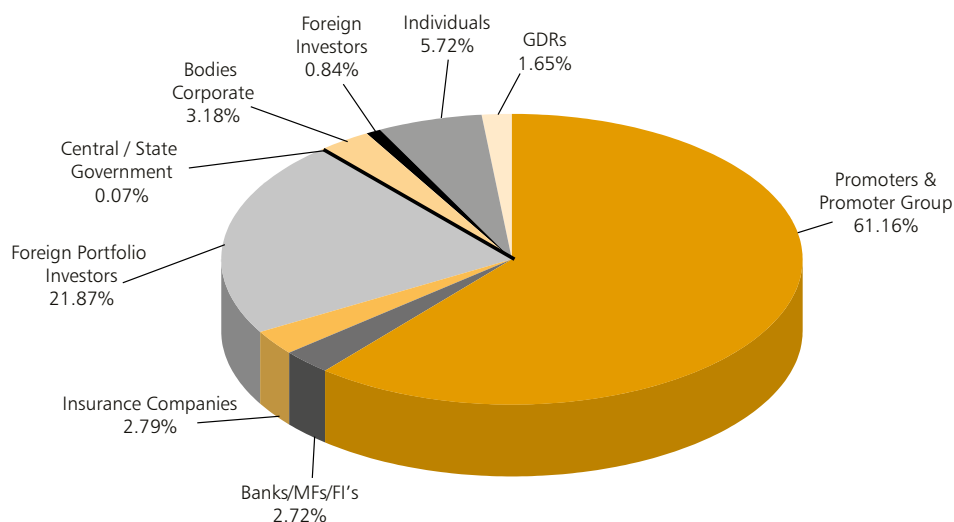
14. Distribution of Shareholding as on 31st March, 2017 :

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% shareholding
1 – 100	2,58,465	88.95	67,87,841	2.47
101 – 200	17,615	6.06	25,66,696	0.94
201 – 500	9,532	3.28	29,72,442	1.08
501 – 1000	2,670	0.92	18,77,202	0.68
1001 - 5000	1,532	0.53	29,05,982	1.06
5001-10000	225	0.08	16,10,779	0.59
10001 & above	534	0.18	25,57,86,964	93.18
Total	2,90,573	100.00	27,45,07,906	100.00

15. Category of Shareholding as on 31st March, 2017 :

Category	No. of shareholders	% of shareholders	No. of shares held	% shareholding
Promoter & Promoter Group	13	0.00	16,78,92,737	61.16
Banks/MFs / FIs	441	0.15	74,59,311	2.72
Insurance Companies	38	0.01	76,49,180	2.79
Foreign Portfolio Investors	754	0.26	6,00,42,698	21.87
Central / State Government	2	0.00	2,00,215	0.07
Bodies Corporate	2,165	0.75	87,15,834	3.18
Foreign Investors	6,741	2.32	23,17,591	0.84
Individuals	2,80,418	96.51	1,57,04,059	5.72
GDRs	1	0.00	45,26,281 [@]	1.65
Total	2,90,573	100.00	27,45,07,906	100.00

[@] 27,44,168 GDRs held by Promoter and Promoter Group.



16. **Dematerialisation of Shares and Liquidity** : 98.28% of outstanding equity shares have been dematerialised as on 31st March, 2017. Trading in shares of your Company is permitted only in the dematerialised form.
17. **Details on use of public funds obtained in the last three years** : No public funds have been obtained.
18. **Outstanding GDR/Warrants and Convertible Bonds** : 45,26,281 GDRs are outstanding as on 31st March, 2017. Each GDR represents one underlying equity share. There are no warrants/convertible bonds outstanding as at the year end.
19. **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**
Your Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies. Your Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. Further, your Company also hedges its commodity price risk through fixed price swaps.

20. Plant Locations

Integrated Plants:

Aditya Cement Works	Andhra Pradesh Cement Works	Awarpur Cement Works
Adityapuram Sawa – Shambhupura Road District: Chittorgarh, Rajasthan – 312 622 Tel : 01472 - 221014-15 Fax :01472 - 221020	Bhogasamudram, Tadipatri Mandal District: Ananthapur Andhra Pradesh – 515 415 Tel: 08558 - 288850/51 Fax: 08558 - 288859	P.O. Awarpur Taluka : Korpana, District: Chandrapur Maharashtra – 442 917 Tel: 07173 - 266233/036 Fax: 07173 - 266339
Gujarat Cement Works	Hirmi Cement Works	Jafarabad Cement Works
P.O. Kovaya, Taluka: Rajula, District: Amreli, Gujarat – 365 541 Tel: 02794 - 283034 Fax: 02794 - 283036	Village & Post: Hirmi Taluka: Simga, District: Baloda Bazar, Bhatapara, Chhattisgarh – 493 195 Tel: 07726 - 281221/22 Fax: 07726 - 281268	P. B. No. 10, Village: Babarkot, Taluka: Jafarabad, District: Amreli, Gujarat – 365 540 Tel: 02794 - 245103 Fax: 02794 - 245110
Kotputli Cement Works	Rajashree Cement Works	Rawan Cement Works
V & P. O. Mohanpura, Tehsil: Kotputli District: Jaipur, Rajasthan - 303 108 Tel: 01421 - 243708	Aditya Nagar, Malkhed Road, Tehsil: Sedam, District: Kalaburagi Karnataka – 585 292 Tel : 08441 - 288888 Fax : 08441 - 288624/ 288365	Grasim Vihar, Village & P.O. Rawan, District: Baloda Bazar, Chhattisgarh – 493 196 Tel : 07726 - 288217/218 Fax : 07726 - 288215, 288209
Reddipalayam Cement Works	Sewagram Cement Works	Vikram Cement Works
Reddipalayam PO District: Ariyalur, Tamil Nadu – 621 704 Tel : 04329 - 249240 Fax :04329 - 249253	Village : Vayor, Taluka Abdasa, District: Kutch, Gujarat – 370 511 Tel: 02831 - 279200 Fax: 02831 - 279279	Vikram Nagar P.O.- Khor, Tehsil - Jawad District: Neemuch Madhya Pradesh – 458 470 Tel : 07420 - 230554, 230567 Fax : 07420 - 235524
White Cement		
Birla White Rajashree Nagar, P.O. Kharia Khangar Tehsil: Bhopalgarh, District: Jodhpur, Rajasthan – 342 606 Tel : 02920 - 264040/ 47 Fax : 02920 - 264225 / 264222		

Grinding Plants:

Aligarh Cement Works Village: Kasimpur, Tehsil: Koel, District: Aligarh, Uttar Pradesh – 202127 Tel: 05713 081902	Arakkonam Cement Works Chitteri post, Arakkonam, District: Vellore, Tamil Nadu – 631 003 Tel: 04177 – 293111	Bathinda Cement Works Lehra Mohabbat, Tehsil – Rampuraphul, District: Bathinda, Punjab - 151 111 Tel: 0164-2863100-105
Dadri Cement Works Village Ranuali Latiffpur, Post Vidyutnagar, Tehsil: Dadri, District: Gautambudh Nagar, Uttar Pradesh – 201 008 Tel: 0120-2809014	Dankuni Cement Works JL -80, Village: Panchghara, Mouza: Panchghara Bazar, District: Hoogly, West Bengal – 712 306 Tel.: 03212 - 223821	Ginigera Cement Works Gangavathi Road, Ginigera, District: Koppal, Karnataka – 583 228 Tel: 08539 - 286572
Hotgi Cement Works Near Railway Station, Hotgi, District: Solapur, Maharashtra - 413 215 Tel: 0217-2250303-05	Jhajjar Cement Works Village: Jharli, Tehsil: Matanhail, District: Jhajjar, Haryana – 124 106 Tel: 8221902800	Jharsuguda Cement Works P.O. Arda, Near Dhutra Railway Station, District: Jharsuguda, Odisha – 768 202 Tel: 06645-283104/05
Magdalla Cement Works Magdalla Port, Dumas Road, Surat, Gujarat – 395 007 Tel: 0261-2725175	Nagpur Cement Works Village: Tarsa, Tehsil: Mauda, District: Nagpur, Maharashtra – 441 106 Tel: 7720037095	Panipat Cement Works Village: Karad, Israna Paradana Road, Israna, Panipat, Haryana – 132 107, Tel: 9992112031/32
Patliputra Cement Works Next To Sigariyawan Station, Near Daniyawana village, Shahjahnapur, Patna – 801 305, Bihar	Ratnagiri Cement Works MIDC Indl. Estate, Zadgaon Block, Ratnagiri, Maharashtra – 415 639 Tel: 02352-223997	Wanakbori Cement Works Village: Sangol, Post. Sonipur, Taluka: Thasra, District: Kheda, Gujarat – 388 245, Tel: 02699-232000
West Bengal Cement Works Near EPIP Plot, Muchipara, Durgapur, West Bengal – 713 212 Tel: 0343-2002488		

Bulk Terminals:

Birla Super Bulk Terminal Near Railway Station, Veerapura P.O., District: Doddballapur, Bangalore – 561 203 Tel: 080 - 27624380	Mangalore Bulk Terminal Beach Road, Panambur, Mangalore – 575 010 Karnataka Tel: 0824-2408112	Navi Mumbai Bulk Terminal Sector 1, Dronagiri Indl. Area Uran, Navi Mumbai – 400 707 Tel: 022-27241930
Pune Bulk Terminal Tah-Haveli, Village: Peth(Naygaon), District: Pune, Maharashtra – 412 110 Tel: 020 - 20200023	Shankarpalli Bulk Terminal Village: Fathepur, Shankarpalli Mandal, District: Rangareddy, Telangana – 501 203, Tel: 08517 - 201110	Cochin Bulk Terminal Survey No. 2578/4 Indira Gandhi Road, Willingdon Island, Cochin - 682 003, Kerala Tel: 04844-055229

21. Investor Correspondence:

Registered Office	Registrar & Share Transfer Agent
<p>UltraTech Cement Limited 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 Tel: (022) 66917800 Fax: (022) 66928109 Email: sharesutcl@adityabirla.com; kamal.r@adityabirla.com Contact Person: Mr. Kamal Rath</p>	<p>Karvy Computershare Pvt. Ltd. Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Nanakramguda, Hyderabad – 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2342 0814 Email: ultratech.ris@karvy.com Contact Person: Satish Poojary</p>

Email for investor correspondence under SEBI requirements: sharesutcl@adityabirla.com

22. Other Useful Information for Shareholders:

Unpaid/Unclaimed Dividends:

Dividend warrants in respect of the dividend declared in July, 2016 have been despatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company or its RTA for further information in this behalf. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

The Unpaid / Unclaimed dividend for the financial year 2008 – 2009 has been transferred by the Company to the Investor Education and Protection Fund (IEPF).

Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account:

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more will be transferred to an IEPF suspense account. The Company had issued individual notices to such shareholders who had not claimed their dividend for the last seven consecutive years along with publication of notice in newspapers on 16th November, 2016 and 4th May, 2017 respectively. The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the Company viz. www.ultratechcement.com.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

Unclaimed shares in physical form:

Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") provides the manner of dealing with the shares issued in physical form pursuant to a public issue or any other issue, which remains unclaimed with the Company. In compliance with the provisions of the Regulation, the Company has sent three reminders to the shareholders whose share certificates are lying unclaimed.

Disclosure pursuant to Regulation 39(4) of the Listing Regulations:

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 1st April, 2016.
16,809 shareholders holding 3,19,508 equity shares of the Company.
- Number of shareholders who approached the issuer for transfer of shares from Unclaimed Suspense Account during the year.
96 shareholders holding 2,841 equity shares of the Company.
- Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.
96 shareholders holding 2,841 equity shares of the Company.
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 31st March, 2017.
16,713 shareholders holding 3,16,667 equity shares of the Company.

ECS/ NECS Facility

The Company uses Electronic Clearing Service ("ECS") facility for remitting dividend to its shareholders wherever available.

In terms of a notification issued by the Reserve Bank of India, with effect from 1st October, 2009, remittance of dividend through ECS is replaced by National Electronic Clearing Service ("NECS"). Banks have been instructed to move to the NECS platform. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations.

NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions ("CBS") for centralised processing of inward instructions and efficiency in handling bulk transactions.

To enable remittance of dividend through NECS, members are requested to provide their new account number allotted to them by their respective banks after implementation of CBS. The account number must be provided to the Company or its RTA in respect of shares held in physical form and to the Depository Participants in respect of shares held in electronic form.

Securities and Exchange Board of India ("SEBI") provided that companies making cash payments to its investors shall use approved electronic mode of payment such as ECS, NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their investors:-

- For securities held in electronic form, companies shall seek relevant bank details from the Depositories.
- For securities held in physical form, companies shall maintain updated bank details of its investors.

Share Transfer / Dematerialisation

1. Share transfer requests are acted upon within 12 days from the date of their receipt at the Share Department. In case no response is received from the Company within 15 days of lodgement of transfer request, the lodger should immediately write to the Company or its RTA with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss / interception during postal transit.
2. Dematerialisation requests duly completed in all respects are normally processed within 7 days from the date of their receipt at the Company or its RTA.
3. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantages

of scripless trading, shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.

4. The equity shares of the Company have been admitted with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") bearing ISIN No. INE481G01011.

Correspondence with the Company

Shareholders / Beneficial Owners are requested to quote their Folio Number / DP & Client ID Numbers as the case may be, in all correspondence with the Company. All correspondence regarding shares & debentures of the Company should be addressed to the Company or its RTA.

Non-Resident Shareholders

Non-resident shareholders are requested to immediately notify:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of their NRE/NRO Bank Account with a bank in India, if not furnished earlier.

Others

1. In terms of the Regulations of NSDL and CDSL, the bank account details of Beneficial Owners of shares in demat form will be printed on the dividend warrants as furnished by the Depository Participants ("DP"). The Company will not entertain any request for change of bank details printed on their dividend warrants. In case of any changes in your bank details please inform your DPs immediately.
2. Shareholders holding shares in physical form are requested to notify to the Company or its RTA, change in their address / pin code number and bank account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DPs as the same are maintained by the DPs.
3. To prevent fraudulent encashment of dividend warrants, shareholders are requested to provide their bank account details (if not provided earlier) to the Company or its RTA

(if shares held in physical form) or to DPs (if shares held in electronic form), as the case may be, for printing of the same on their dividend warrants.

4. In case of loss / misplacement of shares, shareholders should immediately lodge a FIR / Complaint with the Police and inform the Company or its RTA along with original or certified copy of FIR / Acknowledged copy of Police complaint.
5. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
6. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
7. Section 72 of the Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form which can be obtained from the Company or its RTA or download the same from the Company's website.
8. Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
9. Addresses of the redressal agencies for investors to lodge their grievances:

Ministry of Corporate Affairs (MCA)

'A' Wing, Shastri Bhawan,
Rajendra Prasad Road,
New Delhi – 110 001
Tel.: (011) 23384660, 23384659
Web: www.mca.gov.in

Securities and Exchange Board of India (SEBI)

Plot No.C4-A,'G' Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel.: (022) 26449000/40459000
Fax: (022) 26449019-22
Web: www.sebi.gov.in

Stock Exchanges:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001
Tel.: (022) 22721233/34
Fax: (022) 22721919
Web: www.bseindia.com

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C/1, 'G' Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel.: (022) 26598100-8114
Fax: (022) 26598120
Web: www.nseindia.com

Depositories:

National Securities Depository Limited (NSDL)

Trade World, 'A' Wing, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013
Tel.: (022) 24994200
Fax: (022) 24976351
Web: www.nsdl.co.in

Central Depository Services (India) Limited (CDSL)

17th Floor, P J Towers,
Dalal Street, Fort,
Mumbai – 400 001
Tel.: (022) 2272 3333
Fax: (022) 2272 3199
Web: www.cdslindia.com

SOCIAL REPORT

Towards Inclusive Growth

"All of our projects are based on the needs of the communities that live close to our plants. Our projects are very inclusive. We treat our social projects, just as our business projects. We have a vision – which in a nutshell epitomises, inclusive growth, and dignifying the lives, of the underprivileged. Our work rests on four pillars.

Firstly, embedding our social vision in the business vision.

Secondly, having a razor sharp strategy, for execution, factoring milestones, targets, performance management, and accountability.

Thirdly, getting our work audited by reputed agencies in the CSR domain, to ascertain the reports of the field workers.

And fourthly, working in tandem with Government agencies, and recouring to their various development schemes, which foster inclusive growth. This helps us extend our reach.

Above all, the invaluable contribution, of our 250 strong committed CSR colleagues and the leadership team gives us the edge. Their energy, their passion and their commitment, to make a difference to the underprivileged, makes our work count."

Rajashree Birla
Chairperson

Aditya Birla Centre for Community Initiatives and Rural Development

Our focus is on healthcare, education, sustainable livelihood, infrastructure and social reform.

Health Care

This year we conducted 244 rural medical and awareness camps and 46 speciality camps servicing 162,551 villagers. Health check-ups were conducted for ailments such as malaria, diarrhoea, diabetes, hepatitis, arthritis, skin diseases, gynaecological disorders and cardiac related issues. Thousands of villagers in the remotest areas also availed of the facilities offered by us through our rural mobile medical van services. Those afflicted with serious ailments were referred to our hospitals.

At the Company's 8 hospitals, housed at Khor (Madhya Pradesh), Shambhupura and Kharia Khangar (Rajasthan), Kovaya, Jafarabad and Sewagram (Gujarat), Rawan (Chhattisgarh) and Malkhed (Karnataka) over 49,447 patients received the necessary medical attention.

At our eye camps 11,718 persons were treated. Of these 3,249 patients from Khor, Shambhupura, Awarpur (Maharashtra), Malkhed, Kharia Khangar, Kotputli (Rajasthan), Kovaya, Jafarabad and Dankuni (West Bengal) were operated for cataract and intra-ocular lens fitted for their vision. The teams also distributed 3,732 spectacles to correct the vision of senior citizens.

At dental check-up camps and school health camps in Kharia Khangar, Awarpur, Tadipatri (Andhra Pradesh), Malkhed,

Khor, Kovaya, Reddipalayam (Tamil Nadu), Dankuni and Hirmi (Chhattisgarh) 3,417 persons were treated.

At blood donation camps, we had 320 donors in Ginigera (Karnataka), Jafarabad, Kovaya, Khor, Hirmi, Kharia Khangar and Reddipalayam.

We have tried to strengthen preventive health care efforts. We reached out to a population of 1,544 through Yoga, Homeopathy and Ayurveda camps at Hirmi, Kovaya and Jafarabad.

In addition to supporting Government health programmes, we have also donated two dialysis machines to Chittorgarh's (Rajasthan) district hospital.

Mother and Child Health Care

In collaboration with the District Health Department, over 226,722 children were immunised against polio in 1,272 booths. Further, more than 4,778 children were immunised against BCG, DPT and hepatitis-B across the Company's Units.

Nearly 8,237 women participated in antenatal, post-natal care, mass immunisation, nutrition and escort services for institutional delivery. These camps organised at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur (West Bengal), Malkhed, Tadipatri, Bathinda (Punjab) and Awarpur form part of our reproductive and child health care programmes.

Our focused programme on adolescent health care covered 2,322 girls at the Government's Girls High Schools and Kasturba Gandhi Balika Vidyalyas.

Consequent to our intensive motivational drive towards responsible family raising, 1,147 villagers opted for planned families at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur, Malkhed, Tadipatri and Awarpur.

Safe Drinking Water and Sanitation

The installation of Reverse Osmosis Plants and water tanks has had a beneficial impact on villagers. Up until now, 16 plants have been installed around our operational areas in Tadipatri, one in Awarpur and one in Kharia Khangar giving more than 26,932 villagers access to safe drinking water. Overall 80,000 villagers have been able to access safe drinking water.

Under the Swachha Bharat Abhiyaan, we have facilitated the construction of more than 1,600 individual toilets in villages around Hirmi, Rawan, Khor, Kovaya, Jafarabad, Awarpur, Kharia Khangar and Arakkonam (Tamil Nadu).

In addition, more than 100 school toilets were earlier constructed for the girl child. We are committed to maintain toilets in 57 schools at Tadipatri.

Education

We extend support to 250 Anganwadis at Rawan, Hirmi, Kotputli, Khor, Reddipalayam, Malkhed, Tadipatri, Durgapur, Kovaya, Jharsuguda (Odisha), Arrakonam, Aligarh (Uttar Pradesh), Magdalla (Gujarat) and Sewagram. More than 5,595 children are enrolled at these Anganwadis.

Under the Sarva Siksha Abhiyan (SSA) programme, we have tied up with 54 primary schools at Kovaya, Jafarabad, Sewagram, Malkhed, Khor, Rawan, Hirmi, Tadipatri, Shambhupura, Kharia Khangar, Kotputli, Awarpur, Ratnagiri (Maharashtra), Magdalla, Reddipalayam, Jharsuguda, Hotgi (Maharashtra), Pataliputra (Bihar), Wanakbori (Gujarat), Panipat (Haryana), Bathinda, Jhajjar (Haryana), Dadri (Uttar Pradesh) and Durgapur. Over 23,648 students in these schools have received technical support, study materials, school bags and uniforms.

Over 3,970 children from schools in Malkhed, Tadipatri, Reddipalayam, Hirmi, Khor, Rawan, Awarpur and Shambhupura were accorded scholarships.

Rural schools were extensively supported in the campaign for enrolment (Shala Praveshotsav), and in reducing dropout rates of students in schools near our manufacturing Units. We reached out to 120 schools and 11,583 children.

The response to our special coaching classes and career counselling programmes at Malkhed, Kovaya, Jafarabad, Kotputli, Kharia Khangar, Reddipalayam, Shambhupura and Awarpur has been encouraging. They cover 39,395 students.

At Rawan, Malkhed, Khor, Hirmi, Shambhupura, Ratnagiri, Magdalla, Kovaya, Jhajjar, Awarpur, Sewagram and Kharia Khangar we ran 6-monthly computer literacy programmes. These benefitted 1,342 rural students and helped to enhance their skills on various operating systems for self-development.

Our talent search programmes drew 6,672 children from different schools in Reddipalayam, Kotputli, Rawan, Awarpur and Shambhupura.

We assist in the delivery of mid-day meal programmes in schools at Jafarabad, Jharsuguda, Hotgi and Durgapur.

At Rawan, Hirmi, Kotputli, 1,597 girls and boys were given special coaching to compete in the entrance examination for Navodaya schools. So far 40 students from villages close to Hirmi and Rawan have made the grade. Around 70% of them belong to underprivileged families.

Libraries set up in villages across our areas of operation are accessed by 22,000 students.

The Smart Class Computer Project 'Utkarsh' run in collaboration with the Government of Rajasthan has begun in Kharia Khangar, benefitting 22,100 children. A similar initiative at Khor will cover 500 children across 4 schools.

At the Sarva Shiksha Abhiyaan supported Kasturba Ballika Vidyalyas at Malkhed, Reddipalayam, Kharia Khangar, Jafarabad, Kovaya and Tadipatri, the results have been rewarding.

We support two residential schools at Kovaya and Gulbarga (Karnataka) meant for visually challenged children. Further we also work with a child centre for special children at Reddipalayam. Our efforts are geared towards integrating these children into the mainstream.

In 18 villages surrounding Khor, Durgapur, Jafarabad, and Malkhed, more than 1,569 women in the 25-60 age group actively participate in our functional literacy programmes. For their convenience, these are conducted during the evening hours when the women have some time to invest in themselves.

Facilities such as school transport and other support systems were availed of by 29,309 students.

At Shambhupura, we are transforming 20 schools into model schools. School infrastructure, library and teaching tools are being contemporised. More than 2,322 students have enrolled at these schools.

Sustainable Livelihood

On the agricultural front, we reached out to marginalised farmers, and enabled them to increase their productivity. Training in crop diversification, advance cropping techniques and other processes to improve yield, floriculture, integrated pest management and post-harvest technology has been a value addition to their skills.

livelihood of 208 farmers in three villages of Jharsuguda and two villages at Jafarabad. This programme started with just two farmers some time back.

Over 200 farmers from Reddipalyam and Hirmi were taken for field visits to the Krishi Vigyan Kendras in Tamil Nadu and Chhattisgarh. We wanted to familiarise them with contemporary



These agri-based programmes were attended by 3,810 farmers at Reddipalyam, Khor, Kharia Khangar, Shambhupura, Malkhed, Rawan, Jafarabad, Tadipatri, Awarpur, Hirmi, Jharsuguda, Durgapur and Bathinda.

The initiative of crop diversification and resource management with small farmers with scattered landholdings has bettered the

cropping pattern and techniques, which could be transferred to their field.

To ensure cost optimisation through economies of scale in the procurement of inputs, to realise better margin through collective marketing of agricultural produces, to avail all the facilities and services under different schemes and to enrich knowledge by

exchanging ideas and information, we promoted 14 farmers club at Jharsuguda and Malkhed benefitting 104 farmers. Additionally, 137 farmers were aided with agricultural implements in the villages at Tadipatri and Jafarabad.

At Khor we have set up demonstration plots in wastelands for practicing method demonstration in horticulture. This had helped augment the income of small farmers through low input farming.

To support the Green Energy movement, we have installed 121 biogas plants at Jafarabad, Kovaya and Neemuch (Madhya Pradesh).

Under the social forestry programme, we encouraged plantation at Rawan, Hirni, Shambhupura, Kotputli, Awarpur, Ratnagiri and Aligarh distributing saplings and helping tree planting on roads and wastelands.

The public private partnership (PPP) watershed management project in the Neemuch district of Madhya Pradesh is in the consolidation phase. We work closely with the Watershed Mission implemented by the Madhya Pradesh Government. Facilitated by a dedicated multidisciplinary team, the project involves making farmers and local people aware of rainwater harvesting, training them in diverse agro-based activities and ways to support watershed management. In all, 75 structures have been constructed. Additionally, we have constituted watershed user groups and watershed 'samitis' comprising of 540 farmers. They have been strengthened for organised action, collective bargaining and knowledge sharing. They bear the responsibility to steer the socio-economic and cultural development of the villages.

The construction of water harvesting structures at Sewagram, Sambhupura, Kharia, Jafarabad, Nagpur (Maharashtra) and Tadipatri will enable water availability during the drought caused distress period for a population of more than 23,000.

Animal Husbandry

Through our farmer support projects, 37,811 animals were immunised in veterinary camps held at our Units at Malkhed, Kotputli, Kharia Khangar, Khor, Shambhupura, Hirni, Rawan, Awarpur, Sewagram, Kovaya, Jafarabad and Wanakbori.

The Navjeevan Gaushala set up by us at Kharia Khangar houses nearly 730 stray cows and oxen.

We work with BAIF for integrated breed programme at Kovaya, Jafarabad, Wanakbori and Khor. These programmes have reached out to 2,002 milch cattle. The resultant increased output of milk has led to a significant rise in the income of the cattle owners.

Our fodder support programme in collaboration with the Panchayat implemented in the drought prone areas of Sewagram caters to the entire populace in 14 villages alleviating their distress to an extent.

Vocational Training

We provided vocational skills training to 3,645 participants at Tadipatri, Hirni, Khor, Shambhupura, Kharia Khangar, Rawan, Magdalla, Jharsuguda, Kovaya, Jafarabad, Arrakonam, Awarpur, Reddipalayam, Malkhed, Kotputli and Ratnagiri.

In the recent past, Birla White in Rajasthan has widened its Applicator's Training Programme to include women and unskilled construction workers. Through this programme, so far we have trained more than 6,000 people including 1,100 women in the specialised application of Birla White putty. This has been much welcomed by the underprivileged.

At Rajashree Cement's Kagina Industrial Training Centre annually 150 students are trained to become electricians, fitters, mechanics and welders. Successful students are absorbed in the industries around this location and beyond.

Through the public private partnership model, we also manage an ITI near Raipur.

Self Help Group (SHG)

Across the Company over 840 SHGs empower 7,940 households economically and socially. Most of the SHGs have been linked with various economic centres. Women are engaged in a series of activities like tailoring, weaving, knitting, handicrafts, running beauty parlours, mushroom cultivation, food processing and small business. At Reddipalayam, 310 women contribute significantly to the running of their family through their earnings from their tailoring jobs. The carpet centre at Khor continues to produce high quality carpets with 100% of the carpets exported through business tie-ups.

Infrastructure Development

As in the past, we have helped the locals through building of approach roads, construction and repair of community halls and assets, public rest places, solar lights and maintaining bathing ghats. This is done at Awarpur, Shambhupura, Tadipatri, Kotputli, Panipat, Kharia Khangar, Khor, Bathinda, Aligarh, Dadri, Rawan, Hirni, Durgapur, Jharsuguda, Kovaya, Jafarabad, Ratnagiri, Magdalla, Malkhed, Hotgi, Arrakonam, Ginigera, Dankuni, Jhajjar and Reddipalayam.

Through our interventions, we have reached out to 573,052 people across all our Units.

Espousing Social Causes

To bring in social reform through attitudinal changes, we work with communities. Our work includes advocacy against child labour, illiteracy, child marriages, the marginalisation and abuse of the girl child and women, drunken behaviour, maintaining poor hygiene and so on. We also promote rural sports, cultural programmes and the celebration of national events / days in the locale.

The annual socio-cultural Ulhas Utsav at Awarpur is very popular. It recognises perseverance, merit, team work and community well-being. A similar programme has been initiated at Khor.

To foster traditional sports as desired by the local people, we support training facilities for wrestling at Jhajjar.

At mass marriages in Kovaya, Jafarabad, Hirni and Malkhed, 200 couples were married.

We reached out to 292,000 people through our socio-cultural programmes.

Accolades / Awards

In recognition of our CSR work, several accolades were bestowed upon us. These include:

- The IICA NGO BOX CSR Award for Rajashree Cement, Karnataka.
- Golden Peacock Award for Birla White, Kharia Khangar.
- FICCI Commendation for Rajashree Cement and Hirni Cement, Chhattisgarh.
- Exceed Award for Vikram Cement, Madhya Pradesh.
- Fame Award for Gujarat Cement.

We have also been commended by the district administration in the districts we work.

Our Investment

For the year 2016-17, our CSR spend was ₹ 54.15 crores, which is over 2% of the average net profits of the last three financial years. In addition, we mobilised ₹ 21.60 crores through the various schemes of the Government, acting as catalysts for the community. This has enabled us expand our reach.

Our Board of Directors, our Management and our colleagues across the Company are committed to inclusive growth.

SUSTAINABILITY AND BUSINESS RESPONSIBILITY REPORT



Building Sustainable Businesses at the Aditya Birla Group:

At the Aditya Birla Group, we endeavour to become the leading Indian conglomerate for sustainable business practices across our global operations. We define a “Sustainable Business” as one that can continue to survive and thrive within the growing needs and tightening constraints of a “Sustainable World”. We believe that this means that a “Sustainable World” can only contain “Sustainable Businesses”.

To achieve our Group vision, we are innovating from the traditional sustainability models to one consistent with our vision to build sustainable businesses capable of operating in the next three decades. It is in our own interests to mitigate our own impact in every way we can as this is a direct assistance to creating a sustainable planet. It also prepares us for further mitigation and the need to adapt to a world that is a further full degree hotter than today.

We began our quest with a question, “If everyone and every business followed the law as written today, is the planet sustainable?” We quickly concluded that around the year 2050, when the Earth’s population reaches an estimated 9 billion, climate change, water scarcity, pollution and an overload of

waste, if left unchecked, would set the planet on a possibly irreversible unsustainable course. It is therefore intuitive that either leaders find ways to transform industries or current laws be tightened over time to reduce the damage and it is imperative that the Aditya Birla Group remains ahead of the curve.

The first step of our sustainable business programme is aimed at raising the capability of our business management systems. Under this programme called “Responsible Stewardship” we try to move from merely complying with current legal standards to conforming to the international standards set by the global bodies of the International Finance Corporation (IFC), the Organisation for Economic Co-operation and Development (OECD), the International Standards Organisation (ISO), Occupational Health and Safety Advisory Services (OHSAS), the Global Reporting Initiative (GRI), the Forestry Stewardship Council and others. To support our businesses in this endeavour we have created the Aditya Birla Group’s Sustainable Business Framework of Policies, Technical Standards, and Guidance Notes to give our leaders, managers, employees and contract employees the chance to train, learn, understand, and apply improvement techniques to help our businesses reach higher standards of performance. So far, we have had much success with respect

to reductions in energy use, water use, and improvements in safety performance. We are working towards achieving the World Business Council for Sustainable Development's Water and Sanitation and Hygiene pledge (WASH) to ensure that we provide safe drinking water, sanitation and hygiene in all our operations. Each of these achievements helps reduce and mitigate our impact on the planet and are hence imperative to building our platform for the future.

If we are to create sustainable business models and systems for the future, then "Responsible Stewardship" by itself today is not enough. We need other components to help us with a greater transformation. We need to understand the global mega-trends and their effect on us geographically, physically, technologically and how the legal system may need to change in order to support a sustainable world. Our performance will need to be improved further to meet these External Factors. By talking to Strategic Stakeholders knowledgeable in these issues, we can scan the horizon to better understand them and their likely risk to our business. With this information we can make sure our business models and strategy are "Future Proofing" and if not, develop them over time so that we and the value chains within which we operate can continue to operate inside the tightening constraints placed on us by the needs of the sustainable world we hope to help create. We are helping our leaders to understand which external changes might heavily influence our value chains and business models in the future and what might be expected of our products and brands. For example, the world will need businesses that are able to mitigate and adapt to climate change, with robust and sustainable supply chains that are also impervious to all external forces that will inevitably begin to affect us in the future. To build sustainable businesses will take time, particularly when we consider some of our very complex supply chains, but by pushing to be a leader today, we are giving our businesses the best possible chance of achieving long term sustainability for ourselves, our value chains and our planet.

At UltraTech ("the Company"), we are committed to align the business strategy with the Aditya Birla Group's sustainability vision.

Safety is an indelible part of the Company's core values and is a business imperative. The Company engaged DuPont, a global leader in sustainability solutions, to introduce and instil a comprehensive safety culture in the Company which has resulted

in a marked improvement in incidents rate. While we strive hard towards embedding a culture of high safety at our Units, we also have systems and processes in place to enable safer operations. Occupational Health and Safety (OHS) impacts are identified, assessed and addressed through our integrated HSE management system, which conforms to global guidelines such as the CSI protocol, OHSAS 18001 and SA 8000. Our 29 critical standards for safety are mandatory at all our facilities.

On **Climate change** the Company is aware of its dual responsibility to the environment and to the nation's progress. The key priorities are energy efficiency, waste heat recovery and generation of renewable energy. The Company annually reports its emissions performance through sustainability reports, CSI dashboard and the Climate Disclosure Project (CDP). The Company has implemented various initiatives to improve its environmental performance related to NO_x, SO_x and dust emissions and continuously monitors the same. Specific CO₂ emissions have come down by around 24% since 1990. With respect to energy efficiency, we have overachieved the target set by the Government of India for the first Perform, Achieve and Trade (PAT) cycle and are moving ahead for the next phase of the cycle.

The Company responds to Climate Change Challenge by new product development, increasing absorption by securing availability and overcoming technical constraints; improving energy efficiency; transport and logistics optimisation, waste-to-energy recovery and strategic long-term plan for GHG emissions reduction and mitigation linked to planned business growth.



A session on Safety



Water Conservation

The Company's **Water** conservation agenda is spearheaded by a systemic 3R approach: reduce, recycle and reuse. Harvesting rainwater, recharging groundwater, recycling wastewater and reducing freshwater use are standard operating procedures at our manufacturing Units. During the year under review 3 of the Company's integrated Units achieved water sufficiency – these Units are not dependent on any groundwater or freshwater sources. The operations at Star Cement, Dubai have also recorded 34% reduction in specific water consumption.

Waste Management - Total hazardous waste (solid + liquid) disposal increased over 83% as compared to the previous year. This was on account of addition of new categories of hazardous waste such as e-waste and batteries. Across its operations, the Company does not import or export waste which has been deemed hazardous under Basel Convention. Industrial waste is used as alternative fuel which serves a dual purpose of reducing the requirement of natural raw materials without compromising on the product quality and moderating carbon footprint. Alternative materials like fly ash, chemical gypsum and slag which help in conserving natural raw materials are used for cement production. Currently, such alternative

material constitutes 13.86% of the Company's total raw material use.

Air Pollution - Over time the Company has developed robust management and monitoring systems to measure air emissions. Data on specific emissions is reported as per CSI (Cement Sustainability Initiative) which helps in designing the Company's strategy and policy towards low emission production process. Initiatives in place to reduce NOx emission include:

- Raw mix, coal residue and process optimisation.
- Burner management - conversion of old burner with low NOx burner.
- Low NOx calciner selection for new plant and modification in old calciner for incorporation of low NOx feature.

New technology low NOx burners have been commissioned at two of the Company's Units, the performance of which was evaluated and established. Based on the established performance, the Company has decided to replace all old technology burners with new low NOx technology burners. It is expected that with this primary abetment, the Company will meet NOx emission standards and in case there is a shortfall, secondary abetment will be explored for ensuring the desired norms.



Sewage Treatment Plant

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L26940MH2000PLC128420											
2.	Name of the Company	UltraTech Cement Limited											
3.	Registered address	B Wing, Ahura Centre, 2 nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093											
4.	Website	www.ultratechcement.com											
5.	E-mail id	brr.utcl@adityabirla.com											
6.	Financial Year reported	1 st April,2016 to 31 st March,2017											
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table><tr><th>Group</th><th>Class</th><th>Sub Class</th><th>Description</th></tr><tr><td>239</td><td>2394</td><td>23941 23942</td><td>Manufacture of cement</td></tr></table>				Group	Class	Sub Class	Description	239	2394	23941 23942	Manufacture of cement
Group	Class	Sub Class	Description										
239	2394	23941 23942	Manufacture of cement										
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	(i) Ordinary Portland and Portland Pozzolana Cement (ii) Ready-Mix Concrete (iii) White Cement											
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations (Provide details of major 5): <ul style="list-style-type: none">United Arab EmiratesSri LankaBahrainBangladesh ii. Number of National Locations: 12 Integrated Cement Units; 16 Grinding Units; 1 White Cement Unit; 1 Wall Care Putty; 6 Bulk Terminals; over 100 Ready Mix Concrete Units, Registered Office and Zonal Marketing Offices											
10.	Markets served by the Company	<table><tr><th>Local</th><th>State</th><th>National</th><th>International</th></tr><tr><td>√</td><td>√</td><td>√</td><td>√</td></tr></table>				Local	State	National	International	√	√	√	√
Local	State	National	International										
√	√	√	√										

Section B: Financial Details of the Company

1.	Paid-up Capital (INR)	₹ 274 crores
2.	Total Turnover (INR)	₹ 26,887 crores
3.	Total Profits after taxes (INR)	₹ 2,628 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 54.15 crores during financial year 2016-17, which amounts to 2.03% of the average profit after taxes in the previous three financial years.
5.	List of activities in which expenditure in 4 above has been incurred	a. Education b. Health Care c. Women empowerment d. Sustainable Livelihood e. Infrastructure Development f. Social Welfare

Section C: Other Details

- Does the Company have any Subsidiary Company / Companies?
Yes, the Company has 9 (nine) subsidiaries - 4 (four) domestic and 5 (five) foreign.
- 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 parent Company apply to its subsidiaries.
- 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

- Details of Director/Directors responsible for BR
 - Details of the Director/Director responsible for implementation of the BR policy/policies:

DIN Number	00017572
Name	Mr. K. K. Maheshwari
Designation	Managing Director

- Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. K. C. Jhanwar
3.	Designation	Deputy Managing Director and Chief Manufacturing Officer
4.	Telephone number	022 66917800
5.	e-mail id	brr.utcl@adityabirla.com

- Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The 9 principles are:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?	—								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner / CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	view restricted to employees								
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. The communication is an on-going process to cover all stakeholders.								
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 publishes a Sustainability Report which is GRI G4 compliant and covers policies mentioned herein. The Report is assured by an independent certifying agency.								

(b) If answer to S. No.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No.	Questions	P 1	P2	P3	P4	P5	P6	P7	P8	P9
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

The Business Responsibility performance of the Company is assessed periodically by the management.

- (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 publishes its Sustainability Report annually. The Report for FY17 (under publication) is compliant with the GRI G4 guidelines. The Report is assured by an independent certifying agency and will be available on the website of the Company—www.ultratechcement.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 Company's governance structure guides the organisation keeping in mind the core values of Integrity, Commitment, Passion, Seamlessness and Speed. The Corporate Principles and Code of Conduct cover the Company and its subsidiaries and is applicable to all the employees of the Company and its subsidiaries.

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.

No complaints were received during the year.

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 is strategically focusing on development of products and services that help customers build sustainable

structures which are more durable, more resource-efficient, more cost-effective and more conducive to human lifestyle. We manufacture a range of products that cater to construction needs from foundation to finish. These include Ordinary Portland Cement (OPC), Portland Blast Furnace Slag Cement (PSC), Portland Pozzolana Cement (PPC), White Cement and White Cement based Products, Ready Mix Concrete including Specialty Concrete, building products like AAC blocks and jointing mortars and a host of others in Retail Formats.

One of our product Xtralite - AAC blocks, are light weight blocks with optimum compressive strength and lower density than the traditional clay bricks or concrete blocks. It has the following advantages:

1. Manufactured using industrial byproduct viz. ash thus reducing environmental hazards and preventing wastage of fertile land for ponding of ash.
2. Thermal Insulation- resulting in less energy consumption for cooling the interiors.
3. Sound Insulation- reduction in usages of acoustical materials.
4. Can withstand any weathering effects- highly durable leading to lesser life cycle cost.
5. Reduction in the usage of cement, sand due to reduction in joint thickness, lesser number of joints, lesser thickness of plastering etc- reduced environmental impact.
6. Help in conservation of agricultural top soil as it is a good alternative for clay bricks.

Another product Readiplast uses less water for curing as the curing period is reduced from 7 days to 2 days. Some of our Building Product Division products are also listed in the Indian Green Building Council Directory of green products under the category of energy efficiency and low emitting materials. White Cement, Wall Care Putty, Textura & Level Plast have been recognized by IGBC (Indian Green Building Council) for use in Green Building.

We are focusing on different options to reduce our carbon footprint and other emissions such as replacing traditional fuels with alternative fuels, improving energy efficiency of our products, using clinker additives, implementing waste heat recovery systems wherever possible. This will eventually reflect in lower carbon footprint of our products (OPC, PPC, PSC etc)

The Company has also taken initiatives for educating its stakeholders on the sustainable aspects of its products. The Technical Services Department educates the users of cement like masons and the Individual House Builder (IHB) on using cement optimally and reducing wastage. The Company also informs government agencies about the advantages of using cement for mass housing and roads and the benefits of using blended cement. Several seminars have been conducted on concrete roads and white topping to impress on the environmental benefits of switching from bituminous roads.

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

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company consumes alternate materials like flyash, chemical gypsum, slag etc which helps in conserving natural raw materials used for the cement production. Alternative fuels are also used for thermal energy generation which helps in the substitution of fossil fuels and allow better management of industrial waste. Recycling water, rainwater harvesting and recharging of ground water are standard operating procedures at all our manufacturing sites.

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

Cement as a product is used for variety of purposes and by diverse consumers. Hence it is not feasible to measure the usage (energy, water) by consumers.

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

Procurement practices and selection criteria by the Company are focused on protection of environment, societal interest and cost effective procurement seeking resources efficiency, improving the quality of products and services and ultimately optimising the cost.

The criteria for procurement of equipment are based upon resource efficiency, mainly comprising of but not limited to - energy efficiency, fuel efficiency, emission control etc. The impact of the product / services being procured is considered over its whole life cycle i.e. from cradle to grave, including giving due weightage to the disposal aspect also e.g. E-waste/ hazardous waste is disposed off

in an environmental friendly manner and no compromise, whatsoever, is made on the same. As regard social aspect, the emphasis is made on ethical issues at the time of vendor evaluation stage itself. The vendor registration form of the Company requires its potential vendors to specify their commitment on the following social aspects:

1. Child Labour
2. Forced & Compulsory Labour
3. Health & Society
4. Working Hours
5. Statutory compliances

The Company believes that sustainability in logistics may be achieved by using less polluting and less fuel consuming transport option or selecting the vendors which are close to our manufacturing location. We are importing coal in bulk size vessels in collaboration with suppliers under which about one half of the shipment quantity is taken by us with full cost advantage of freight and the balance is sold by the suppliers to their retail customers. This consumes lesser fuel as compared to smaller size shipment in terms of per ton of material sailed. The Company also maps the Polypropylene (PP) bags suppliers across the country to minimize distance between supplier plants and units across the country. We have also encouraged and empowered our PP bag suppliers to achieve 9001:2008 certification.

E-procurement has made our sourcing process more transparent and efficient. It includes a web-based supplier portal with features like Request For Quote (RFQ), submission of offers by the suppliers, generation of comparative charts and the release of orders. The module is integrated with our SAP system. A reverse auction process of real time competitive bidding for buying and transportation of material, adds to the efficacy of the process. E-procurement has resulted in more effective communication with our vendors and enabled significant reduction in paper work as well as travel hours.

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

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

The Company has consistently increased the breadth of vendors across goods and services through vendor base enhancement. The objective is to focus on indigenous

suppliers, mutual collaboration and partnership for long term growth.

The Company has always given preference to local vendors when it comes to sourcing materials. In case of PP packing bags vendors, we have optimised the vendors located near to our cement plants, based on their capability and capacity. Sourcing of PP bag from vendors located close to the plants has resulted in lower fuel consumption.

The Company also believes in long term partnership with the vendors by having rate contracts with them and providing periodical feedback on their performances in terms of quality, delivery, services, environmental health and safety etc, which helps the vendors to improve their performance by taking corrective actions on the parameters where they are found lacking. Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle. The Company uses Information Technology efficiently for reducing the procurement cycle time and has launched a vendor portal which not only reduces the cycle time but also empowers vendors to make use of its useful features like knowing the approval status of their material, payment status, posting advance shipping notification etc. It also helps in reduction of paper usage as most of the activities / documentation are done in electronic format. The Company has a zero tolerance policy for safety compromise and business is done only with those vendors who are approved on stringent safety parameters.

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.

The cement manufacturing process as such does not involve production of any by products or waste. However, the flyash generated from the Company's captive power plant during power generation is utilised in blended cements. The Company also uses alternative materials such as flyash, chemical gypsum, slag etc. that are waste materials generated from other industries to substitute the raw material required for cement production.

Principle 3 – Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees.
14,240
2. Please indicate the total number of employees hired on temporary/contractual/casual basis.
28,712

3. Please indicate the number of permanent women employees.

254

4. Please indicate the number of permanent employees with disabilities.

28

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

Yes, we have recognised trade unions constituted in terms of the Trade Union Act at the Company's manufacturing Units.

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

Around 26% of our permanent employees are members of the above mentioned trade unions.

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.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as at end of the financial year
1.	Child labour/forced labour/ involuntary labour	NIL	NA
2.	Sexual harassment	NIL	NA
3.	Discriminatory employment	NIL	NA

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

	Safety	Skill upgradation
Permanent Employees (Management)	88.12%	69.66%
Permanent Women Employees	54.15%	23.62%
Casual / Temporary / Contractual Employees	87.28%	15.44%
Employees with Disabilities	50.00%	85.71%

Principle 4 – Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

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

Yes, the Company has mapped its internal as well as external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

The Company has identified the disadvantaged, vulnerable and marginalised stakeholders viz. communities around its manufacturing Units and its workers / contractual workers.

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

The Company's endeavor to bring in inclusive growth are channelized through the Aditya Birla Centre for Community Initiatives and Rural Development.

Several initiatives such as health care, education, infrastructure, watershed management, safe drinking water and sanitation, sustainable livelihood, self-help groups and income generation etc. are extended to the Company's contract workers and people living near to the Company's manufacturing Units.

The Company has adopted safety as a culture. It has engaged employees at all the levels - whether employees, contractors, suppliers or the community and has taken a structured approach, through leadership involvement, in order to bring about a culture change that views safety as non-negotiable.

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 Company has a Human Rights Policy which is also applicable to its subsidiaries.

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

No complaints were received during the last financial year.

Principle 6 – Businesses 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 Company's policy on Safety, Health and Environment extends to its subsidiaries as well.

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.**

The Company is a member of the Cement Sustainability Initiatives ("CSI") of the World Business Council for Sustainable Development ("WBCSD"). This engagement has given better understanding of the environmental and climate change initiatives. The Company has addressed environment and climate change issues with clear goals, targets and achievements. The Company proactively measures carbon footprint as per Cement Sustainability Initiatives CO₂ protocol. Details will be available in the Sustainability Report for the year 2016-17.

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

The Company follows a structured risk management approach which encompasses identifying potential risks, assessing their potential impact, mitigating them through taking timely action and continuous monitoring. The company is a member of CSI of WBCSD and the tools developed by CSI are being used by the Company to assess the potential risks arising out of its operations and take necessary actions to mitigate the same. One such tool developed by WBCSD is the India Water Tool ("IWT") which helps the Company to map their water use and assess risks relative to operations and supply chains (<http://www.indiawatertool.in>).

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?**

Yes, the Company has two registered projects under Clean Development Mechanism ("CDM").

- use of alternative fuels at Reddipalayam Cement Works, Tamil Nadu.
- Waste Heat Recovery ["WHR"] based power generation at Andhra Pradesh Cement Works – Tadipatri, Andhra Pradesh. Five others WHR projects are ready for registration.

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.

The Company was one of the co-chairs of the expert working group for the development of “Technology Roadmap- Low Carbon Technology for the Indian Cement Industry” which was jointly developed by WBCSD CSI and the International Energy Agency (“IEA”) along with other CSI members. The roadmap outlines a low-carbon growth pathway for Indian Cement Industry that could lead to carbon intensity reductions. The link to the technology roadmap is available on <http://www.wbcscement.org/index.php/technology/india-roadmap>.

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 given by Central Pollution Control Board / State Pollution Control Board.

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

No such cases are pending at the end of the financial year.

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:

- Cement Sustainability Initiative (CSI), an initiative of the World Business Council for Sustainable Development.
- Confederation of Indian Industry (CII).
- Federation of Indian Chambers of Commerce and Industry (FICCI).

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, 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 specified programs in pursuit of its policy on inclusive growth and equitable development. These cover education, basic healthcare, women empowerment, sustainable livelihood, infrastructure and social reform.

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

The Company’s social projects are carried on under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development. Collaborative partnerships are formed with the government, district authorities, village panchayats, NGOs and like-minded stakeholders. The Company engages with CII, FICCI in its social activities. It also collaborates with District Authorities, Village Panchayats, NGOs and like-minded stakeholders for its CSR initiatives.

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

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

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 an amount of ₹ 54.15 crores on its CSR activities during 2016-17 in education, women empowerment, sustainable livelihood, infrastructure development etc.

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

Prior to the commencement of projects, a baseline study of the villages is carried out. The study encompasses various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data, state of infrastructure, among others. From the data generated a 1-year plan and a 5-year rolling plan is developed. Projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, midcourse corrections are carried out.

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.

17 cases of customer complaints / consumer cases were pending as on the end of FY17.

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)

The Company displays only product information as mandated by Bureau of Indian Standards.

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.

The Competition Commission of India ("CCI") vide its order dated 31st August, 2016, imposed a penalty on eleven Companies, including your Company. The CCI order is pursuant to the directions issued by the Competition Appellate Tribunal ("COMPAT") vide its order dated 11th December, 2015, setting aside the original CCI order dated 20th June, 2012 and remitting the matter to CCI for

fresh adjudication of the issue and passing a fresh order. Your Company filed an appeal against the CCI order before COMPAT. COMPAT has granted stay on the CCI order on condition that your Company deposit 10% of the penalty, amounting to ₹ 117.56 crores, which has since been deposited.

In a separate matter, the CCI vide its order dated 19th January, 2017 has imposed a penalty of ₹ 68.30 crores on your Company pursuant to a reference filed by the Government of Haryana. Your Company has filed an appeal against the CCI Order before COMPAT. COMPAT has granted stay on the said CCI order.

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

Yes, the Company carries out a Brand Health Study regularly (thrice a year). The study is conducted by globally renowned research agency – Nielsen India Pvt. Ltd., for tracking Brand Equity across customer segments. The Company also conducts an extensive Customer Loyalty/ Net Promoter Score (NPS) study with research agency IMRB once in 2 years. The most recent NPS study was done in FY16-17.

BEAUTIFUL DREAMS
BUILD BEAUTIFUL HOMES.



Give your dreams shape with UltraTech Cement.
The one cement which understands the desire
to build beautiful.

UltraTech
CEMENT
The Engineer's Choice

Build
beautiful

FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of
UltraTech Cement Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of UltraTech Cement Limited ("the Company"), which comprise the Balance Sheet as at 31 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 the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

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 read with relevant rules issued thereunder.

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; the selection and application of appropriate accounting policies; making judgments and the 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 the Ind AS, of the financial position of the Company as at 31 March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Independent Auditors' Report (Continued)

Emphasis of Matters

We draw attention to Note 32(b) of the Standalone Ind AS financial statements which describes the following matters:

- a) In terms of order dated 31 August 2016, the Competition Commission of India ('CCI') has imposed penalty of Rs. 1,175.49 crore for alleged contravention of the provisions of the Competition Act, 2002 by the Company. The Company had filed an appeal against CCI Order before the Competition Appellate Tribunal ('COMPAT'). COMPAT has granted stay on the CCI Order on the condition that the Company deposits 10% of the penalty amounting to Rs. 117.56 crore which has since been deposited. Based on a legal opinion and considering the uncertainty relating to the outcome of this matter, no provision has been made.
- b) In terms of order dated 19 January 2017, the CCI has imposed penalty of Rs. 68.30 crore pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August 2012 by the Company. The Company has filed an appeal before COMPAT and received the stay order dated 10 April 2017. The Company believes it has a good case and considering the uncertainty relating to the outcome of this matter, no provision has been made.

Our opinion is not modified in respect of the above matters.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2016 and the transition date opening Balance Sheet as at 1 April 2015 included in these Standalone Ind AS financial statements, are based on the previously issued statutory Standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by B S R & Co. LLP., Chartered Accountants (one of the joint auditors) and G. P. Kapadia & Co., Chartered Accountants (predecessor joint auditor) for the year ended 31 March 2016 and G. P. Kapadia & Co., Chartered Accountants and Deloitte Haskins & Sells LLP, Chartered Accountants (predecessor joint auditors) for the year ended 31 March 2015, whose reports dated 25 April 2016 and 25 April 2015, respectively, expressed an unmodified opinion on those Standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 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, 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 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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"; and
 - (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, 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 the financial position in its Standalone Ind AS financial statements – Refer Note 32 (a) to the Standalone Ind AS financial statements.

Independent Auditors' Report (Continued)

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. The Company did not have any other long-term 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; and
- iv. The Company has provided requisite disclosures in the Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures 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- Refer Note 53 to the Standalone Ind AS financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2017

For **Khimji Kunverji & Co.**
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2017

Annexure A to the Independent Auditors' Report – 31 March 2017

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and 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 except for the following which are not held in the name of the Company:

(Rs. in Crore)

Particulars	Leasehold Land	Freehold Land	Buildings
Gross block as at 31 March 2017	84.74	679.92	28.77
Net block as at 31 March 2017	76.71	679.92	25.60
Total number of cases	388	2,072	30

- ii. The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 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, Duty of Customs, Duty of Excise, 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 on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on 31 March 2017 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates (Assessment Year)	Amount* (Rs. in Crore)
Sales Tax / Value Added Tax (VAT)	Sales Tax, VAT, Interest and Penalty	Supreme Court	2000 to 2006	177.93
		High Court	1988 to 2017	17.87
		Tribunal(s)	1985 to 2017	160.42
		Appellate Authorities	1992 to 2016	53.51
		Assessing Officers	1997 to 2014	3.57
Customs Act, 1962	Custom Duty, Interest and Penalty	High Court	2002 to 2006	44.67
		Tribunal(s)	2000 to 2014	185.19
		Appellate Authorities	2003 to 2015	0.10

Annexure A to the Independent Auditors' Report – 31 March 2017 (Continued)

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates (Assessment Year)	Amount* (Rs. in Crore)
Central Excise Act, 1944	Excise Duty, Interest and Penalty	Supreme Court	1994 to 2011	60.03
		High Court	1998 to 2008	31.74
		Tribunal(s)	1994 to 2016	844.31
		Appellate Authorities	2003 to 2016	67.36
Finance Act, 1994	Service Tax, Interest and Penalty	Supreme Court	2004 to 2008	19.18
		High Court	2005 to 2010	15.86
		Tribunal(s)	2003 to 2017	192.87
		Appellate Authorities	2004 to 2017	36.69
Income Tax Act, 1961	Income Tax, Interest and Penalty	High Court	2001 to 2006	1.25
		Appellate Authorities	2008 to 2015	396.66

* net of amounts paid under protest.

- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no 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 to the Company.
- 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 Standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given 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. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Mumbai
24 April 2017

For Khimji Kunverji & Co.
Chartered Accountants
Firm's Registration No: 105146W

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2017

Annexure B to the Independent Auditors' Report of even date on the Standalone Ind AS financial statements of UltraTech Cement Limited – 31 March 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of UltraTech Cement Limited ("the Company") as at 31 March 2017 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 the ICAI.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm's Registration No: 105146W

Vijay Mathur
Partner
Membership No: 046476

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2017

Mumbai
24 April 2017

STANDALONE BALANCE SHEET

as at March 31, 2017

₹ in Crores

Particulars	Note No.	As at March 31, 2017		As at March 31, 2016	As at April 1, 2015
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2	22,898.23		22,376.71	20,883.46
Capital Work-in-Progress	2	877.76		1,414.48	2,068.85
Intangible Assets	2	333.53		310.83	196.58
Intangible Assets under Development	2	0.63		1.08	4.84
			24,110.15	24,103.10	23,153.73
Financial Assets					
Investments	3	2,002.72		3,433.20	2,869.21
Loans	4	55.53		65.89	66.76
Other Financial Assets	5	74.11	2,132.36	278.34	538.41
Income Tax Assets (Net)			104.93	92.25	94.78
Other Non-Current Assets	6		458.60	582.34	830.92
Total Non-Current Assets			26,806.04	28,555.12	27,553.81
Current Assets					
Inventories	7		2,224.99	2,277.61	2,642.84
Financial Assets					
Investments	8	5,405.95		2,359.98	2,779.08
Trade Receivables	9	1,276.17		1,414.89	1,203.19
Cash and Cash Equivalents	10	50.88		75.77	60.49
Bank Balances other than Cash and Cash Equivalents	11	2,166.86		2,159.43	140.08
Loans	4	123.95		118.99	120.45
Other Financial Assets	5	285.38	9,309.19	573.98	194.88
Other Current Assets	12		934.17	740.35	821.48
Assets held for Disposal			6.70	14.45	4.24
Total Current Assets			12,475.05	9,735.45	7,966.73
TOTAL ASSETS			39,281.09	38,290.57	35,520.54
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	13		274.51	274.43	274.40
Other Equity			23,666.50	21,357.40	19,265.86
			23,941.01	21,631.83	19,540.26
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	14	4,200.12		2,667.89	5,000.92
Other Financial Liabilities	15	31.16	4,231.28	6.94	77.87
Provisions	16		270.73	252.73	231.79
Deferred Tax Liabilities (Net)	17		2,773.56	2,431.99	2,127.40
Other Non-Current Liabilities	18		6.11	1.04	1.09
Total Non-Current Liabilities			7,281.68	5,360.59	7,439.07
Current Liabilities					
Financial Liabilities					
Borrowings	19	1,015.84		2,338.75	1,898.08
Trade payables	20	1,713.80		1,581.46	1,546.83
Other Financial Liabilities	15	1,290.42	4,020.06	3,582.70	1,337.97
Other Current Liabilities	21		3,319.97	3,163.12	2,915.92
Provisions	16		159.43	161.86	157.96
Current Tax Liabilities (Net)			558.94	470.26	684.45
Total Current Liabilities			8,058.40	11,298.15	8,541.21
TOTAL EQUITY AND LIABILITIES			39,281.09	38,290.57	35,520.54
Significant Accounting Policies	1				

The accompanying Notes form an integral part of the Financial Statements.

In terms of our report attached.

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

₹ in Crores

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
REVENUE			
Revenue from Operations	22	27,162.42	26,947.14
Other Income	23	659.95	480.66
TOTAL INCOME (I)		27,822.37	27,427.80
EXPENSES			
Cost of Materials Consumed	24	3,467.82	3,550.88
Purchases of Stock-in-Trade	25	483.56	439.68
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	73.13	(17.81)
Employee Benefits Expense	27	1,413.44	1,343.02
Finance Costs	28	571.39	511.66
Depreciation and Amortisation Expense	29	1,267.87	1,297.04
Power and Fuel		3,926.55	4,240.81
Freight and Forwarding Expense	30	5,845.22	5,934.90
Excise Duty		3,270.99	3,238.35
Other Expenses	31	3,731.77	3,627.06
		24,051.74	24,165.59
Less: Captive Consumption of Cement {Net of Excise Duty ₹ 17.11 Crores, (Previous Year ₹ 32.95 Crores)}		(19.01)	(36.35)
TOTAL EXPENSES (II)		24,032.73	24,129.24
Profit before Exceptional item and Tax Expenses (I)-(II)		3,789.64	3,298.56
Exceptional items- Impairment in value of Investments		(13.69)	-
Profit before Tax Expenses		3,775.95	3,298.56
Tax Expenses:			
Current Tax		806.66	623.81
Deferred Tax		341.57	304.59
Total Tax Expense		1,148.23	928.40
Profit for the Year (III)		2,627.72	2,370.16
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit & Loss - Actuarial Gain/(Loss) on Employee Benefits		(13.23)	(2.58)
B (i) Items that will be reclassified to Profit & Loss - Cash Flow Hedge		(6.37)	5.22
Other Comprehensive Income for the year (IV)		(19.60)	2.64
Total Comprehensive Income for the year (III+IV)		2,608.12	2,372.80
Earnings Per Equity Share (Face Value ₹ 10 each)	40		
Basic (in ₹)		95.74	86.37
Diluted (in ₹)		95.70	86.32
Significant Accounting Policies	1		

The accompanying Notes form an integral part of the Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

For and on behalf of the Board of Directors

STANDALONE CASH FLOW STATEMENT for the year ended March 31, 2017

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before tax	3,775.95	3,298.56
Adjustments for:		
Depreciation and Amortisation	1,267.87	1,297.04
Fair Valuation of Investments	(378.57)	(328.25)
Discounting of Sales Tax Deferment Loan	(17.82)	(2.24)
Fair Value movement in Derivative Instruments	15.50	12.76
Compensation Expenses under Employees Stock Options Scheme	5.45	9.46
Provision for Doubtful Advances / debts (net)	16.87	28.87
Impairment in value of Investments	13.69	-
Bad Debts Written-off	0.07	1.02
Excess Provision written back (net)	(182.02)	(36.19)
Provision for Employee Benefits	11.88	18.47
Interest and Dividend Income	(69.89)	(79.44)
Finance Costs	571.39	511.66
Loss on Sale / Retirement of Property, Plant and Equipment	2.04	0.13
Profit on sale of current investments (net)	(68.33)	(63.06)
Operating Profit before Working Capital Changes	4,964.08	4,668.79
Movements in working capital:		
Increase in Trade payables and other Liabilities	463.07	320.98
(Increase) / Decrease in Trade receivables	123.40	(231.15)
Decrease in Inventories	52.62	365.23
Decrease/(Increase) in Financial and Other Assets	(151.26)	66.02
Cash Generated from Operations	5,451.91	5,189.87
Direct Taxes paid	(730.66)	(835.47)
Net Cash Generated from Operating Activities (A)	4,721.25	4,354.40
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(1,259.32)	(2,076.97)
Sale of Property, Plant and Equipment	31.93	17.51
Expenditure for Cost on Assets transferred	(4.20)	-
Sale / (Purchase) of Liquid Investment (net)	68.31	63.31
Purchase of Investments	(3,376.88)	(2,698.08)
Sale of Investments	2,160.29	2,882.99
Investment in Non Current Bank Fixed deposits	(1.15)	(1.09)
Investment in Other Bank deposits	(7.43)	(2,019.35)
Investment in Subsidiaries / Joint Venture	(34.00)	(1.78)
Dividend Received	13.75	19.11
Interest Received	45.20	57.65
Net Cash used in Investing Activities (B)	(2,363.50)	(3,756.70)

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

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital on exercise of ESOS	6.60	2.67
Repayment of Long Term Borrowings	(3,088.97)	(901.61)
Proceeds from Long Term Borrowings	2,878.48	706.91
Increase/(Decrease) from Short Term Borrowings (net)	(1,323.23)	440.99
Interest Paid	(547.04)	(538.80)
Dividend Paid Including Dividend Distribution Tax	(308.48)	(292.58)
Net Cash used in Financing Activities (C)	(2,382.64)	(582.42)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(24.89)	15.28
Cash and Cash Equivalents at the beginning of the Year	75.77	60.49
Cash and Cash Equivalents at the end of the Year	50.88	75.77

Notes:

- Cash flow statement has been prepared under the indirect method as set out in IndAS - 7 specified under Section 133 of the Companies Act, 2013.
- Purchase of Property, Plant and Equipment includes movements of Capital Work-in-Progress (including Capital Advances) during the year.

Significant Accounting Policies

Note 1

The accompanying Notes form an integral part of the Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

K. K. MAHESHWARI
Managing Director

For and on behalf of the Board of Directors

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Director

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Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

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

A. EQUITY SHARE CAPITAL

For the year ended March 31, 2017

₹ in Crores

Balance as at April 01, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
274.43	0.08	274.51

For the year ended March 31, 2016

Balance as at April 01, 2015	Changes in equity share capital during the year	Balance as at March 31, 2016
274.40	0.03	274.43

B. OTHER EQUITY

For the year ended March 31, 2017

Particulars	Reserves & Surplus						Effective portion of Cash Flow Hedges	Total Equity
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding reserve#	Retained Earnings		
Balance as at April 01, 2016	142.46	26.32	337.08	16,430.41	25.20	4,396.31	(0.38)	21,357.40
Profit for the year (1)	-	-	-	-	-	2,627.72	-	2,627.72
Remeasurement gain/(loss) on defined benefit plan (2)	-	-	-	-	-	(13.23)	-	(13.23)
Other Comprehensive Income/(loss) for the year (3)	-	-	-	-	-	-	(6.37)	(6.37)
Total Comprehensive Income/(loss) for the year (1+2+3)	-	-	-	-	-	2,614.49	(6.37)	2,608.12
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	(310.99)	-	(310.99)
Transfer to Retained Earnings	-	-	(253.75)	-	-	253.75	-	-
Transfer from Retained Earnings	-	-	157.92	2,000.00	-	(2,157.92)	-	-
Employees Stock Options exercised	-	16.23	-	-	(9.71)	-	-	6.52
Employees Stock Options granted	-	-	-	-	5.45	-	-	5.45
Balance as at March 31, 2017	142.46	42.55	241.25	18,430.41	20.94	4,795.64	(6.75)	23,666.50

For the year ended March 31, 2016

Particulars	Reserves & Surplus						Effective portion of Cash Flow Hedges	Total Equity
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding reserve#	Retained Earnings		
Balance as at April 01, 2015	142.46	22.12	293.50	14,930.41	17.30	3,865.67	(5.60)	19,265.86
Profit for the year (1)	-	-	-	-	-	2,370.16	-	2,370.16
Remeasurement gain/(loss) on defined benefit plan (2)	-	-	-	-	-	(2.58)	-	(2.58)
Other Comprehensive Income/(loss) for the year (3)	-	-	-	-	-	-	5.22	5.22
Total Comprehensive Income/(loss) for the year (1+2+3)	-	-	-	-	-	2,367.58	5.22	2,372.80
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	(293.36)	-	(293.36)
Transfer to Retained Earnings	-	-	(127.25)	-	-	127.25	-	-
Transfer from Retained Earnings	-	-	170.83	1,500.00	-	(1,670.83)	-	-
Employees Stock Options exercised	-	4.20	-	-	(1.53)	-	-	2.67
Employees Stock Options granted	-	-	-	-	9.43	-	-	9.43
Balance as at March 31, 2016	142.46	26.32	337.08	16,430.41	25.20	4,396.31	(0.38)	21,357.40

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2017 (Contd.)

The Description of the nature and purpose of each reserve within equity is as follows:

- a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase. Company's capital reserve is mainly on account of acquisition of Larsen & Toubro cement business and Gujarat Units of Jaypee Cement Corporation Limited (JCCL).
- b) **Securities Premium Reserve:** Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.
- d) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- e) **Shares Options Outstanding Reserve:** The Company has two share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 43 for further details of these plans.
- f) **Effective Portion of Cashflow Hedges:** The company has designated its hedging instruments obtained after April 01, 2015 as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective the amount is recognised to the Statement of Profit and Loss.

Net of Deferred Employees Compensation Expenses ₹ 15.23 Crores (March 31, 2016 ₹ 12.41 Crores, April 01, 2015 ₹ 16.96 Crores).

Significant Accounting Policies Note 1

The accompanying Notes form an integral part of the Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
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Firm Registration No: 105146W

VIJAY MATHUR
Partner
Membership No: 46476

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Partner
Membership No: 44000

Mumbai,
April 24, 2017

For and on behalf of the Board of Directors

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note 1(A) Company Overview and Significant Accounting Policies:

Company Overview:

UltraTech Cement Limited (the Company) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is engaged in the manufacturing and selling of Cement and Cement related products.

Significant Accounting Policies:

(a) Statement of Compliance:

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as on April 1, 2015 and comparative figures for the year ended March 31, 2016 are also in compliance with Ind AS. An explanation of how the transition to Ind AS has effected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 55.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on April 24, 2017.

(b) Basis of Preparation and Presentation:

Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (iii) Assets held for sale – measured at the lower of its carrying amount and fair value less costs to sell; and
- (iv) Employee's Defined Benefit Plan as per actuarial valuation

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

(d) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentised its PPE and has separately assessed the life of major components.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Plant & Machinery	10-30 Years
2	Office Equipment	4 Years
3	Furniture and Fixtures	7 Years
4	Mobile Phones	3 Years
5	Company Vehicles (other than those provided to the employees)	5 Years
6	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
7	Servers and Networks	3 Years
8	Stores and Spares in the nature of PPE	10-30 Years
9	Assets individually costing less than or equal to ₹ 10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(f) Intangible Assets and Amortisation:

• Internally generated Intangible Assets: (Research and Development expenditure)

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

• Intangible Assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

• Class of intangible assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Software	3 Years

(g) Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as “Asset held for disposal” the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for disposal”. Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

(h) Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Inventories:

Inventories are valued as follows:

- **Raw materials, fuel, stores & spare parts and packing materials:**

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.

- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

- **Waste / Scrap:**

Waste / Scrap inventory is valued at NRV.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Employee Share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(k) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(l) Government Grants and Subsidies:

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Government grants that are receivable towards capital investments under State Investment Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

(m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Mines Restoration Provision:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

(o) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

(p) Lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Operating Lease: Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Lease: Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

(q) Employee benefits:

Defined benefit plan:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan:

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. Contribution to recognised provident fund are substantially defined contribution plan. The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency as at the year end.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(r) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(s) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(t) Foreign Currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period 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 assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations.

(u) Investment in Subsidiaries, Associates and Joint Ventures:

The Company's investment in its Subsidiaries, Associates and Joint Ventures are carried at cost.

(v) Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect 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 on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL: Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset 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 party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(w) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(x) Financial liabilities and equity instruments:

• Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

• Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(y) 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, foreign exchange rate risks and commodity prices. 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 excluding derivatives designated as cash flow hedge.

(z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

(aa) Segment Reporting - Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

Note 1(B) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Critical judgements in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. Accordingly, under the previous GAAP Madanpur (North) Coal Company Limited was considered as Joint Venture (JV) in the books of the company and accounted under the proportionate consolidation method.

As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) 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 inputs to these models are taken from observable markets where possible, but where this is 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.

(iii) Defined benefit plans:

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Mines Restoration Obligation:

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 01, 2016	For the year	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	
(A) Tangible Assets*										
Land:										
Freehold Land	3,201.46	110.25	0.15	3,311.56	-	-	-	-	-	3,311.56
Leasehold Land	304.13	48.90	-	353.03	11.81	9.21	-	21.02	21.02	332.01
Buildings	2,387.48	246.33	(20.61)	2,654.42	138.23	114.44	(7.82)	260.49	260.49	2,393.93
Railway Sidings	398.63	50.80	5.29	444.14	26.43	32.25	0.04	58.64	58.64	385.50
Plant and Equipment:										
Own	16,966.84	1,222.99	46.85	18,142.98	940.54	984.91	12.93	1,912.52	1,912.52	16,230.46
Given on Lease	120.60	23.93	1.10	143.43	20.52	8.31	-	28.83	28.83	114.60
Office Equipment	97.91	16.49	0.56	113.84	29.75	28.98	0.31	58.42	58.42	55.42
Furniture and Fixtures	50.05	12.26	0.07	62.24	13.16	12.89	0.04	26.01	26.01	36.23
Vehicles	38.92	20.84	5.45	54.31	8.87	9.23	2.31	15.79	15.79	38.52
Total Tangible Assets	23,566.02	1,752.79	38.86	25,279.95	1,189.31	1,200.22	7.81	2,381.72	2,381.72	22,898.23
(B) Capital Work-in-Progress										877.76
Total Tangible Assets										23,775.99
(C) Intangible Assets										
Software	38.88	9.54	-	48.42	17.78	14.64	-	32.42	32.42	16.00
Mining Rights	125.53	46.83	9.47	162.89	5.95	8.24	4.88	9.31	9.31	153.59
Jetty Rights	181.18	-	(1.67)	182.85	11.05	7.86	-	18.91	18.91	163.94
Total Intangible Assets	345.60	56.37	7.80	394.17	34.78	30.74	4.88	60.64	60.64	333.53
(D) Intangible Assets under Development										0.63
Total Intangible Assets										334.16
Total Assets (A+B+C+D)	23,911.62	1,809.16	46.66	25,674.12	1,224.09	1,230.96	12.69	2,442.36	2,442.36	24,110.15

* Net Block of Tangible Assets, amounting to ₹ 9,576.30 Crores are pledged as security against the Secured Borrowings.

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	Deemed Cost As at April 01, 2015 Refer Note B6	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	For the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	
(A) Tangible Assets										
Land:										
Freehold Land	2,934.44	268.75	1.73	3,201.46	-	-	-	-	-	3,201.46
Leasehold Land	255.61	91.38	42.86	304.13	-	11.97	0.16	11.81	11.81	292.32
Buildings	1,962.73	427.62	2.87	2,387.48	-	139.38	1.15	138.23	138.23	2,249.25
Railway Sidings	278.26	120.37	-	398.63	-	26.43	-	26.43	26.43	372.20
Plant and Equipment:										
Own	15,320.42	1,796.84	150.42	16,966.84	-	969.02	28.48	940.54	940.54	16,026.30
Given on Lease	2.77	25.26	(92.57)	120.60	-	7.52	(13.00)	20.52	20.52	100.08
Office Equipment	64.05	34.27	0.41	97.91	-	29.84	0.09	29.75	29.75	68.16
Furniture and Fixtures	36.36	14.55	0.86	50.05	-	13.17	0.01	13.16	13.16	36.89
Vehicles	28.82	12.43	2.33	38.92	-	9.36	0.49	8.87	8.87	30.05
Total Tangible Assets	20,883.46	2,791.47	108.91	23,566.02	-	1,206.69	17.38	1,189.31	1,189.31	22,376.71
(B) Capital Work-in-Progress										1,414.48
Total Tangible Assets										23,791.19
(C) Intangible Assets										
Software	19.95	19.26	0.33	38.88	-	18.11	0.33	17.78	17.78	21.10
Mining Rights	48.85	33.87	(42.81)	125.53	-	5.82	(0.13)	5.95	5.95	119.58
Jetty Rights	127.78	53.40	-	181.18	-	11.05	-	11.05	11.05	170.13
Total Intangible Assets	196.58	106.53	(42.48)	345.59	-	34.98	0.20	34.78	34.78	310.82
(D) Intangible Assets under Development										1.08
Total Intangible Assets										311.90
Total Assets (A+B+C+D)	21,080.04	2,898.01	66.43	23,911.62	-	1,241.67	17.58	1,224.09	1,224.09	24,103.10

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A) Depreciation and Amortisation for the year	1,230.96	1,241.67
Add: Obsolescence	39.01	58.99
Less: Depreciation transferred to Pre-operative Expenses	(2.10)	(3.63)
Depreciation as per Statement of Profit and Loss	1,267.87	1,297.04

- B) 1. Fixed Assets include assets with net block of ₹ 320.06 Crores (Previous Year ₹ 276.61 Crores) not owned by the Company.
2. Buildings include ₹ 12.13 Crores (Previous year ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.
3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 30.75 Crores (Previous year ₹ 26.89 Crores) and Net Block of ₹ 26.73 Crores (Previous year ₹ 26.89 Crores). Addition for the Research and Development Assets during the year is ₹ 2.90 Crores (Previous year ₹ 4.17 Crores).
4. Immovable properties having Gross Block of ₹ 793.43 Crores and Net Block of ₹ 782.23 Crores is yet to be transferred in the name of the Company.
5. Capital Work-in-Progress includes:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Pre-operative expenses pending allocation:		
Raw Materials Consumed	1.17	2.21
Power and Fuel Consumed	0.29	2.99
Salary, Wages, Bonus, Ex-gratia and Provisions	15.11	36.77
Insurance	0.06	0.55
Exchange Loss / (Gain)	-	0.85
Depreciation	2.10	3.63
Finance Costs	8.97	18.35
Miscellaneous expenses	46.56	39.96
Total Pre-operative expenses	74.26	105.31
Less: Sale of Products / Other Income	(1.87)	(3.60)
Less: Trial Run production transferred to Inventory	(1.79)	(1.27)
Add: Brought forward from Previous Year	142.31	172.28
Less: Capitalised / Charged during the Year	(138.41)	(130.41)
Balance included in Capital Work-in-Progress	74.50	142.31

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

6. Details of Gross Block and Accumulated Depreciation as per IGAAP as at April 01, 2015 is as follows:

₹ in Crores

Particulars	Gross Block	Accumulated Depreciation	Net Block considered as Deemed Cost	IndAS adjustments	Deemed Cost as per PPE Schedule
(A) Tangible Assets					
Land:					
Freehold Land	2,934.44	-	2,934.44	-	2,934.44
Leasehold Land	255.05	54.38	200.67	54.94	255.61
Buildings	2,687.57	724.84	1,962.73	-	1,962.73
Railway Sidings	536.05	257.79	278.26	-	278.26
Plant and Equipment:					
Own	24,586.41	9,343.63	15,242.78	77.64	15,320.42
Given on Lease	55.42	52.65	2.77	-	2.77
Office Equipment	234.73	170.68	64.05	-	64.05
Furniture and Fixtures	135.39	99.03	36.36	-	36.36
Vehicles	66.92	38.10	28.82	-	28.82
Total Tangible Assets	31,491.98	10,741.10	20,750.88	132.58	20,883.46
(B) Intangible Assets					
Software	90.11	70.16	19.95	-	19.95
Mining Rights	70.39	21.54	48.85	-	48.85
Jetty Rights	221.66	93.88	127.78	-	127.78
Total Intangible Assets	382.16	185.58	196.58	-	196.58
Total Assets (A+B)	31,874.14	10,926.68	20,947.46	132.58	21,080.04

NOTE 3 : OTHER INVESTMENTS

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015
	Nos.	Amount	Nos.	Amount	Amount
Unquoted:					
Investments measured at Cost:					
Equity Instruments:					
Subsidiaries:					
Face value of ₹ 10 each fully paid:					
Dakshin Cements Limited	50,000	0.05	50,000	0.05	0.05
Harish Cement Limited	247,025	153.78	247,025	153.78	152.98
Bhagwati Lime Stone Company Private Limited	11,900	13.03	11,900	13.03	13.03
Gotan Lime Stone Khanij Udyog Private Limited	2,315,780	184.48	2,315,780	184.48	184.48
Face value of ₹ 10 each partly paid:					
Gotan Lime Stone Khanij Udyog Private Limited	23,000	0.98	23,000	0.98	-
Sri Lankan Rupee 10 each fully paid:					
UltraTech Cement Lanka (Private) Limited	40,000,000	23.03	40,000,000	23.03	23.03
UAE Dirham 10 each fully paid:					
UltraTech Cement Middle East Investments Limited	25,128,890	345.37	23,518,468	311.53	311.53
Indonesian Rupiah 8,923 each fully paid:					
PT UltraTech Mining Indonesia	987,069	4.75	987,069	4.75	4.75
Indonesian Rupiah 9,163 each fully paid:					
PT UltraTech Investment Indonesia	1,900,000	11.46	1,900,000	11.46	11.46
Less: Provision for Impairment in value of investment in both Indonesian subsidiaries		13.69		-	-
		723.24		703.09	701.31

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 3 : OTHER INVESTMENTS (Contd.)

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015
	Nos.	Amount	Nos.	Amount	Amount
Joint Ventures:					
Face value of ₹ 10 each fully paid:					
Bhaskarpara Coal Company Limited	8,141,050	8.14	8,141,050	8.14	8.14
Less: Provision for Impairment in value of Investment		1.65		1.65	1.65
		6.49		6.49	6.49
Associates:					
Face value of ₹ 10 each fully paid:					
Madanpur (North) Coal Company (P) Limited	1,152,560	1.15	1,152,560	1.15	1.15
Less: Provision for Impairment in value of Investment		0.22		0.22	0.22
		0.93		0.93	0.93
Investments measured at Fair value through Profit and Loss:					
Equity Instruments:					
Face value of ₹ 10 each fully paid:					
Aditya Birla Ports Ltd	50,000	0.05	50,000	0.05	0.05
Raj Mahal Coal Mining Limited	1,000,000	1.00	1,000,000	1.00	1.00
Green Infra Wind Power	144,000	0.14		-	-
NU Power Wind Farm	20,000	0.02		-	-
		1.21		1.05	1.05
Preference Shares:					
4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid					
Aditya Birla Health Services Limited	2,000,000	14.10	2,000,000	12.99	12.20
Government or trust securities: ₹ NIL (March 31, 2016 ₹ NIL; April 01, 2015 ₹ 32,000)	-	-		-	-
Debt schemes of Various Mutual Funds		650.85		2,300.31	2,065.66
		1,396.82		3,024.86	2,787.64
Quoted - Other Investments:					
Investments measured at Fair value through Profit and Loss:					
Tax free Bonds		500.25		308.34	81.57
Taxable Corporate Bonds		105.65		100.00	-
		2,002.72		3,433.20	2,869.21
Aggregate Book Value of:					
Quoted Investments		605.90		408.34	81.57
Unquoted Investments		1,396.82		3,024.86	2,787.64
		2,002.72		3,433.20	2,869.21
Aggregate Market Value of Quoted Investments		605.90		408.34	81.57
Aggregate amount of impairment in value of investment		15.56		1.87	1.87

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 4 : LOANS

₹ in Crores

Particulars	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured, Considered good:						
Loans against House Property (Secured by way of title deeds)	0.03	0.03	0.04	0.01	0.01	0.01
Unsecured, Considered good:						
Security Deposits	45.69	56.94	57.43	112.08	107.06	107.70
Loans to Related Parties (Refer Note 38)	-	-	-	2.85	2.84	2.91
Loans to Employees	9.81	8.92	9.29	9.01	9.08	9.83
	55.53	65.89	66.76	123.95	118.99	120.45

Note 4.1 - Disclosure of Loans and Advances given to subsidiaries as per Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 :

Name of the Subsidiary Companies	Amount Outstanding			Maximum Balance Outstanding during the year ended			Investment by Subsidiary in Shares of the Company (No. of Shares)		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Harish Cement Limited	-	-	-	-	-	152.88	-	-	-
Gotan Lime Stone Khanij Udyog Private Limited	-	-	-	-	-	24.22	-	-	-
Bhagwati Lime Stone Company Private Limited	-	-	-	-	-	2.08	-	-	-
PT UltraTech Mining Indonesia	-	-	-	-	-	1.35	-	-	-

NOTE 5 : OTHER FINANCIAL ASSETS

Particulars	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Derivative Assets	58.50	263.88	525.04	87.80	360.55	14.93
Advances to Employees	-	-	-	3.14	3.66	3.29
Interest Accrued on Deposits and Investments	-	-	-	19.03	8.09	5.41
Fixed Deposits with Bank with maturity greater than twelve months*	15.61	14.46	13.37	-	-	-
Government Grants Receivable	-	-	-	170.05	193.87	158.21
Others (Includes Insurance Claim and Other Receivables)	-	-	-	5.36	7.81	13.04
	74.11	278.34	538.41	285.38	573.98	194.88

* Lodged as Security with Government departments.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 6 : OTHER NON - CURRENT ASSETS

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Advances	288.74	406.63	610.76
Less: Provision for Doubtful Advances	(12.06)	(10.44)	-
	276.68	396.19	610.76
Security Deposits	-	5.00	14.60
Balance with Government Authorities	176.38	170.23	192.07
Leasehold Land Prepayments	5.54	10.92	13.49
	458.60	582.34	830.92

NOTE 7 : INVENTORIES: (VALUED AT LOWER OF COST AND NET REALISABLE VALUE, UNLESS OTHERWISE STATED)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials {includes in transit ₹ 27.61 Crores, (March 31, 2016: ₹ 60.41 Crores, April 1, 2015 ₹ 32.94 Crores)}	229.10	289.05	265.30
Work-in-progress	407.74	482.27	490.74
Finished Goods {includes in transit ₹ 13.44 Crores, (March 31, 2016: ₹ 17.90 Crores, April 1, 2015 ₹ 7.45 Crores)}	345.27	341.97	314.53
Stock-in-trade	-	0.11	-
Stores & Spares {includes in transit ₹ 7.51 Crores, (March 31, 2016: ₹ 8.23 Crores, April 1, 2015 ₹ 14.20 Crores)}	749.70	810.74	841.19
Fuel {includes in transit ₹ 65.06 Crores, (March 31, 2016: ₹ 34.05 Crores, April 1, 2015 ₹ 254.70 Crores)}	430.82	298.52	679.27
Packing Materials {includes in transit ₹ 1.35 Crores, (March 31, 2016: ₹ NIL Crores, April 1, 2015 ₹ NIL Crores)}	54.54	40.13	41.88
Scrap (valued at net realisable value)	7.82	14.82	9.93
	2,224.99	2,277.61	2,642.84

The Company follows a suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for the year ₹ 1.80 Crores (March 31, 2016 ₹ 8.00 Crores).

NOTE 8 : CURRENT INVESTMENTS - OTHERS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments measured at Fair value through Profit and Loss			
Quoted:			
Taxable Corporate Bonds	109.16	-	-
Investment in Government Securities	-	10.36	26.18
Unquoted:			
Units of Debt Schemes of Various Mutual Funds	5,296.79	2,349.62	2,752.90
	5,405.95	2,359.98	2,779.08
Aggregate Book Value of:			
Quoted Investments	109.16	10.36	26.18
Unquoted Investments	5,296.79	2,349.62	2,752.90
	5,405.95	2,359.98	2,779.08
Aggregate Market Value of Quoted Investments	109.16	10.36	26.18

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 9 : TRADE RECEIVABLES

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured, Considered good	277.99	238.99	206.82
Unsecured, Considered good	998.18	1,175.90	996.37
Doubtful	35.68	20.43	2.00
	1,311.85	1,435.32	1,205.19
Less: Provision for doubtful receivables	(35.68)	(20.43)	(2.00)
	1,276.17	1,414.89	1,203.19

NOTE 10 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance with banks (Current Account)	21.86	24.61	22.46
Cheques on hand	28.19	50.77	37.29
Cash on hand	0.83	0.39	0.74
	50.88	75.77	60.49

NOTE 11 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance with banks @	2,000.00	2,000.00	-
Fixed Deposits with Banks * (Maturity more than three months and upto twelve months)	157.80	152.87	134.30
Earmarked Balance with Bank for Unpaid Dividends	9.06	6.56	5.78
	2,166.86	2,159.43	140.08

@ Earmarked for specific purpose.

* Lodged as security with Government Departments ₹ 0.62 Crores (March 31, 2016 ₹ 0.62 Crores; April 01, 2015 ₹ 134.30 Crores). Earmarked for specific purpose ₹ 157.18 Crores (March 31, 2016 ₹ 152.25 Crores; April 01, 2015 ₹ NIL Crores) .

NOTE 12 : OTHER CURRENT ASSETS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security Deposits	5.39	5.94	58.83
Advances to related parties (Refer Note 38)	0.32	-	0.18
Balance with Government Authorities	393.75	395.94	377.77
Advances to suppliers	440.44	280.14	318.52
Prepaid Expenses	23.64	24.18	22.19
Other Receivables	70.63	34.15	43.99
	934.17	740.35	821.48

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 13 : EQUITY SHARE CAPITAL

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised						
Equity Shares of ₹ 10 each	280,000,000	280.00	280,000,000	280.00	280,000,000	280.00
Issued, Subscribed and Fully Paid-up						
Equity Shares of ₹ 10 each fully paid-up	274,507,906	274.51	274,431,377	274.43	274,404,627	274.40
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year						
Outstanding at the beginning of the year	274,431,377	274.43	274,404,627	274.40	274,241,387	274.24
Add: Shares issued under Employees Stock Options Scheme (ESOS)	76,529	0.08	26,750	0.03	21,597	0.02
Add: Shares issued to the shareholders of (JCCL) pursuant to the Scheme of Arrangement	-	-	-	-	141,643	0.14
Outstanding at the end of the year	274,507,906	274.51	274,431,377	274.43	274,404,627	274.40
(b) Shares held by Holding Company						
Grasim Industries Limited	165,335,150	165.34	165,335,150	165.34	165,335,150	165.34
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Grasim Industries Limited	165,335,150	60.23%	165,335,150	60.25%	165,335,150	60.25%
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	251,577	0.25	315,961	0.32	324,869	0.32
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date						
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	141,643	0.14	141,643	0.14	141,643	0.14
(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. 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 equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.						

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 14 : NON-CURRENT BORROWINGS

₹ in Crores

Particulars	Non-Current			Current Maturities of Long-Term debts *		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured:						
Non-Convertible Debentures - Note (a1)	1,925.00	650.00	1,265.00	250.00	1,015.00	9.00
Term Loans from Banks:						
In Foreign Currency - Note (b1)	259.40	690.94	1,186.21	162.12	918.18	194.21
In Local Currency - Note (c)	300.00	400.00	375.00	100.00	275.00	75.00
	559.40	1,090.94	1,561.21	262.12	1,193.18	269.21
Sales Tax Deferment Loan - Note (d1)	-	20.59	25.83	-	9.70	5.10
	2,484.40	1,761.53	2,852.04	512.12	2,217.88	283.31
Unsecured:						
Non-Convertible Debentures - Note (a2)	650.00	-	-	-	-	-
Term Loans from Banks:						
In Foreign Currency - Note (b2)	787.46	662.54	1,875.00	486.38	993.83	547.19
Sales Tax Deferment Loan - Note (d2)	278.26	243.82	273.88	25.97	31.21	42.24
	1,715.72	906.36	2,148.88	512.35	1,025.04	589.43
Total	4,200.12	2,667.89	5,000.92	1,024.47	3,242.92	872.74

* Amount disclosed under the head 'Other Financial Liabilities' (Note 15).

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a1) Non - Convertible Debentures (NCDs)			
Secured:			
7.53% NCDs (Redeemable at par on August 21, 2026)	500.00	-	-
7.15% NCDs (Redeemable at par on October 18, 2021)	300.00	-	-
7.57% NCDs (Redeemable at par on August 06, 2021)	250.00	-	-
7.57% NCDs (Redeemable at par on August 13, 2019)	300.00	-	-
7.57% NCDs (Redeemable at par on August 08, 2019)	175.00	-	-
7.85% NCDs (Redeemable at par on December 18, 2018)	200.00	200.00	-
7.84% NCDs (Redeemable at par on April 09, 2018)	200.00	200.00	-
9.15% NCDs (Redeemable at par on August 28, 2017)	250.00	250.00	250.00
8.05% NCDs (Redeemable at par on January 27, 2017)	-	250.00	250.00
8.80% NCDs (Redeemable at par on September 30, 2016)	-	250.00	250.00
8.90% NCDs (Redeemable at par on August 8, 2016)	-	500.00	500.00
8.01% NCDs (Redeemable at par on July 14, 2016)	-	15.00	15.00
8.80% NCDs (Redeemable at par on December 30, 2015)	-	-	9.00
	2,175.00	1,665.00	1,274.00
Less: Current Portion of NCDs shown under Other Financial Liabilities	(250.00)	(1,015.00)	(9.00)
Total	1,925.00	650.00	1,265.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

(a2) Non - Convertible Debentures (NCDs)

Unsecured:			
6.93% NCDs (Redeemable at par on November 25, 2021)	250.00	-	-
6.99% NCDs (Redeemable at par on November 24, 2021)	400.00	-	-
Total	650.00	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 14 : NON-CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(b1) Term Loans from Banks in Foreign Currency				
Secured:				
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: 4.00 Crores; March 31, 2016: 4.00 Crores; April 01, 2015: 4.00 Crores)	February 2019	259.40	265.02	250.00
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar: 2.5 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	3 equal annual installment beginning November 2015	162.12	-	-
J P Morgan Chase Bank N.A., Singapore* (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: Nil)	3 equal annual installment beginning November 2015	-	331.28	-
DBS Bank Ltd., Singapore (Japanese Yen: Nil ; March 31, 2016: 240.00 Crores; April 01, 2015: 240.00 Crores)	March 2017	-	141.56	125.10
BNP Paribas, Singapore (Japanese Yen: Nil ; March 31, 2016: 130.00 Crores; April 01, 2015: 130.00 Crores)	March 2017	-	76.68	67.76
Credit Agricole Corporate & Investment Bank, Singapore (Japanese Yen: Nil ; March 31, 2016: 176.64 Crores; April 01, 2015: 176.64 Crores)	December 2016	-	104.19	92.07
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: Nil; March 31, 2016: 0.78 Crores; April 01, 2015: 0.78 Crores)	October 2016	-	51.51	48.59
International Finance Corporation, Washington (US Dollar: Nil; March 31, 2016: 4.64 Crores; April 01, 2015: 5.00 Crores)	In 14 semi annual installments beginning December 2015	-	307.61	312.50
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	May 2016	-	331.27	312.50
Cooperative Central Raiffeisen- Boerenleen bank B.A. (Trading as Rabo International, Singapore, Japanese Yen - Nil; March 31, 2016: Nil; April 01, 2015: 90.00 Crores)	"In 3 equal annual installments beginning March 2014 "	-	-	46.90
J P Morgan Chase Bank NA, Singapore (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 2.00 Crores)	December 2015	-	-	125.00
		421.52	1,609.12	1,380.42
Less: Current Portion of Foreign Currency Loans shown under Other Financial Liabilities		(162.12)	(918.18)	(194.21)
Total		259.40	690.94	1,186.21

The foreign currency loans are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders/ trustees.

* Loan has been re-financed. In the previous year Loan from Sumitomo Mitsui Banking Corporation, Singapore was under Unsecured Loans.

** Loan was transferred from JP Morgan Chase Bank N.A., Singapore to Sumitomo Mitsui Banking Corporation, Singapore during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 14 : NON-CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(b2) Term Loans from Banks in Foreign Currency				
Unsecured:				
Export Development, Canada (US Dollar: 4.64 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	June 2021	301.09	-	-
Export Development, Canada (US Dollar: 5.00 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	May 2021	324.25	-	-
Mizuho Bank Ltd, Singapore * (US Dollar: 5.00 Crores; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	December 2017	324.25	331.28	312.50
Bank of America N.A., Taiwan (US Dollar: 5.00 Crores; March 31, 2016: 7.50 Crores; April 01, 2015: 7.50 Crores)	3 equal annual installments beginning October 2016	324.25	496.91	468.75
Mizuho Bank Ltd, Singapore * (US Dollar: Nil; March 31, 2016: 7.50 Crores; April 01, 2015: 7.50 Crores)	October 2016	-	496.91	468.75
Mizuho Bank Ltd, Singapore * (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	May 2016	-	331.27	312.50
Mizuho Bank Ltd, Singapore * (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 170.00 Crores)	March 2016	-	-	88.61
Mizuho Bank Ltd, Singapore * (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 180.00 Crores)	March 2016	-	-	93.83
Sumitomo Mitsui Banking Corporation and Bank of Nova Scotia, Singapore (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 400.00 Crores)	March 2016	-	-	208.50
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 7.50 Crores)	3 equal annual installment beginning November 2015	-	-	468.75
		1,273.84	1,656.37	2,422.19
Less: Current Portion of Foreign Currency Loans shown under Other Financial Liabilities		(486.38)	(993.83)	(547.19)
Total		787.46	662.54	1,875.00

* Mizuho Bank Ltd. was formerly known as Mizuho Corporate Bank Ltd.

** Loan has been re-financed in March 2016 and the same is disclosed in Secured Loan from JP Morgan Chase Bank N.A., Singapore.

(c) Term Loans from Banks in Local Currency				
Secured:				
State Bank of India	In 4 installments beginning: May 2022 (25%), November 2022 (25%), May 2023 (25%) and November 2023 (25%)	300.00	300.00	-
HDFC Bank Ltd	In 3 annual installments beginning: December 2015 (30%), December 2016 (30%) and December 2017 (40%)	100.00	175.00	250.00
Axis Bank Ltd	January 2017	-	200.00	200.00
		400.00	675.00	450.00
Less: Current Portion of Term Loans shown under Other Financial Liabilities		(100.00)	(275.00)	(75.00)
Total		300.00	400.00	375.00

Rupee Term loans from banks are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders / trustees.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 14 : NON-CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(d1) Sales Tax Deferment Loan:				
Secured:				
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2015 to February 2021	-	30.29	30.93
Less: Current Portion of Sales tax deferment loan shown under Other Financial Liabilities		-	(9.70)	(5.10)
Total		-	20.59	25.83

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

(d2) Sales Tax Deferment Loan:				
Unsecured:				
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	56.12	-	-
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	243.98	260.00	275.99
Commercial Tax Department, Chhattisgarh	Varied Annual payments from April 2012 to June 2018	4.02	14.92	40.02
Commercial Tax Department, Chhattisgarh	Payable in FY18	0.11	0.11	0.11
		304.23	275.03	316.12
Less: Current Portion of Sales tax deferment loan shown under Other Financial Liabilities		(25.97)	(31.21)	(42.24)
Total		278.26	243.82	273.88

NOTE 15 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of long-term debts	-	-	-	1,024.47	3,242.92	872.74
Interest Accrued but not due on Borrowings	-	-	-	138.42	113.47	128.63
Derivative Liability	31.15	-	77.62	-	29.34	87.89
Liability for Capital Goods	0.01	6.94	0.25	118.45	190.40	242.92
Investor Education and Protection fund, will be credited with the following amounts (as and when due)	-	-	-	-	-	-
Unpaid Dividends	-	-	-	9.08	6.57	5.79
	31.16	6.94	77.87	1,290.42	3,582.70	1,337.97

NOTE 16 : PROVISIONS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
For Employee Benefits	178.98	168.87	154.30	25.46	23.69	19.79
Others:						
For Mines Restoration Expenditure	91.75	83.86	77.49	-	-	-
For Cost of Assets transferred	-	-	-	133.97	138.17	138.17
	270.73	252.73	231.79	159.43	161.86	157.96

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 16.1 - Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Mines Restoration Expenditure (to be settled at mines closure):		
Opening Balance	83.86	77.49
Add: Unwinding of Interest	7.89	6.37
Closing Balance	91.75	83.86
(b) Provision for Cost of Transfer of Assets (to be settled on transfer of Assets title):		
Opening Balance	138.17	138.17
Less: Utilisation during the year	(4.20)	-
Closing Balance	133.97	138.17

NOTE 17 : DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets:			
MAT Credit Entitlement	(838.12)	(888.28)	(711.42)
Provision allowed under tax on payment basis	(158.55)	(157.11)	(129.79)
Others	(103.51)	(96.47)	(83.50)
Unabsorbed depreciation / losses	(56.45)	(81.41)	(153.43)
	(1,156.63)	(1,223.27)	(1,078.14)
Deferred Tax Liabilities:			
Tangible and Intangible Assets	3,785.11	3,543.25	3,145.22
Fair valuation of Investments	144.07	102.45	60.31
Others	1.01	9.56	-
	3,930.19	3,655.26	3,205.53
Net Deferred Tax Liability	2,773.56	2,431.99	2,127.40

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised.

NOTE 18 : OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Income on Government Grants	4.67	-	-
Others	1.44	1.04	1.09
Total	6.11	1.04	1.09

NOTE 19 : CURRENT BORROWINGS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured:			
Loans repayable on demand:			
From Banks - Cash Credits / Working Capital Borrowings (Secured by Hypothecation of Stocks and Book Debts of the Company)	-	246.13	143.32
Unsecured:			
Loans repayable on demand:			
From Banks - Cash Credits / Working Capital Borrowings	36.80	-	-
Others			
From Banks (includes commercial paper)	979.04	605.32	1,254.76
From Others (commercial paper)	-	1,487.30	-
8.70% NCD (Redeemed at par on November 10, 2015)	-	-	500.00
	1,015.84	2,092.62	1,754.76
	1,015.84	2,338.75	1,898.08

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 20 : TRADE PAYABLES

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables (other than Micro and Small Enterprises)	1,710.03	1,574.14	1,545.79
Due to Micro and Small enterprises (To the extent identified with available information)	2.87	1.15	1.04
Due to Related Party (Refer Note 38)	0.90	6.17	-
	1,713.80	1,581.46	1,546.83

Note 20.1 - There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

NOTE 21 : OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security and other deposits	971.82	867.65	808.06
Advance from customers and others	194.09	163.91	171.65
Deferred Income on Government Grants	0.17	-	-
Others (including Provision for Expenses, Statutory liabilities)	2,153.89	2,131.56	1,936.21
	3,319.97	3,163.12	2,915.92

NOTE 22 : REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
SALE OF PRODUCTS AND SERVICES (Gross)		
Sale of Manufactured Products	26,363.81	26,109.72
Sale of Traded Products	477.28	534.33
Sale of Services	45.64	34.52
	26,886.73	26,678.57
OTHER OPERATING REVENUES		
Scrap Sales	52.91	45.21
Lease Rent	0.32	0.51
Insurance Claim	14.39	31.02
Provisions no longer required	6.99	4.96
Unclaimed Liabilities written back	37.26	31.23
Government Grants (Refer Note 50)	141.19	138.10
Miscellaneous Income / Receipts	22.63	17.54
	275.69	268.57
	27,162.42	26,947.14

NOTE 23 : OTHER INCOME

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest Income on		
Government and Other Securities	22.65	10.97
Bank and Other Accounts	33.49	49.36
	56.14	60.33
Dividend Income on		
Current Investments - Mutual Fund	-	0.09
Non Current Investment - From a Subsidiary Company	13.75	19.02
	13.75	19.11
Exchange Gain (net)	-	3.30
Reversal of provision related to earlier years	137.77	-
Gain on Fair valuation of Investments through Profit & Loss	378.57	328.25
Profit on Sale of Current and Non-Current Investments (net)	68.33	63.06
Refund received from Electoral Trust	-	0.27
Others	5.39	6.34
	659.95	480.66

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 24 : COST OF RAW MATERIALS CONSUMED

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Stock	289.05	265.30
Purchases	3,407.87	3,574.63
	3,696.92	3,839.93
Less: Closing Stock	229.10	289.05
	3,467.82	3,550.88

NOTE 25 : PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Grey Cement	90.30	99.94
Others (Branded Channel)	393.26	339.74
	483.56	439.68

NOTE 26 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Closing Inventories		
Work-in-progress	407.74	482.27
Finished Goods	345.27	342.08
	753.01	824.35
Opening Inventories		
Work-in-progress	482.27	490.74
Finished Goods	342.08	314.53
	824.35	805.27
(Increase)/ Decrease in Inventories	71.34	(19.08)
Add: Stock Transfer from Pre-Operative Account	1.79	1.27
	73.13	(17.81)

NOTE 27 : EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries, Wages and Bonus	1,252.39	1,174.68
Contribution to Provident and other Funds	85.12	79.56
Expenses on Employees Stock Options Scheme	5.45	9.46
Staff Welfare Expenses	70.48	79.32
	1,413.44	1,343.02

NOTE 28 : FINANCE COSTS

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest Expense:		
On Borrowings	472.81	454.98
Others (Including Interest on Deposits from Dealer and Contractors)	106.88	72.26
	579.69	527.24
Other Borrowing Cost (Finance Charges)	0.67	2.77
Less: Finance Costs Capitalised	(8.97)	(18.35)
	571.39	511.66

All borrowing costs are capitalised using rates based on specific borrowings with the interest rates ranging between 5.84% to 9.18 % per annum.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation	1,198.12	1,203.07
Amortisation	30.74	34.98
Obsolescence	39.01	58.99
	1,267.87	1,297.04

NOTE 30 : FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
On Finished Products	4,914.94	5,112.30
On Clinker Transfer	930.28	822.60
	5,845.22	5,934.90

NOTE 31 : OTHER EXPENSES

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Consumption of Stores, Spare Parts and Components	606.11	628.87
Consumption of Packing Materials	758.49	719.02
Repairs to Plant and Machinery, Building and Others	535.98	509.73
Insurance	53.14	54.01
Rent (including Lease Rent)	130.35	130.63
Rates and Taxes	134.79	123.98
Directors' Fees	0.42	0.36
Directors' Commission	25.00	21.15
Contribution to Political Party (General Electoral Trust)	13.00	-
Advertisement	180.00	188.23
Sales Promotion and Other Selling Expenses	668.51	660.16
Exchange Loss (net)	0.15	-
Fair Value movement in Derivative Instruments	15.50	12.76
Miscellaneous Expenses	610.33	578.16
	3,731.77	3,627.06

Note 32 - Contingent Liabilities (Ind AS 37):

(a) Claims against the Company not acknowledged as debt:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Sales-tax / VAT Matters	343.38	316.46	305.87
(b) Excise Duty and Service Tax Matters	1,006.17	878.06	726.06
(c) Royalty on Limestone/ Marl / Shale	201.54	314.10	294.58
(d) Customs	168.44	125.69	121.61
(e) Others	531.08	514.33	325.61

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

- (b) The Company, has filed an appeal with Competition Appellate Tribunal ("COMPAT") against two orders of the Competition Commission of India ("CCI") dated August 31, 2016 & January 19, 2017 respectively and as per the directions of COMPAT, has deposited ₹ 117.55 Crores, being 10% of the penalty imposed by CCI under its order dated August 31, 2016. COMPAT has since granted a stay on both the CCI orders. The Company, backed by a legal opinion, believes that it has a good case and accordingly no provision has been made in the accounts.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 32 - Contingent Liabilities (Ind AS 37): (Contd.)

(c) Guarantees:

The Company has issued corporate guarantees as under:

- (i) In favour of the Bankers / Lenders on behalf of some of its Subsidiaries and Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:
 - Bhaskarpara Coal Company Limited (JV) ₹ 4.00 Crores (March 31, 2016 ₹ 4.00 Crores, April 1, 2015 ₹ 4.00 Crores).
 - UltraTech Cement Middle East Investment Limited and its subsidiaries: Equivalent to USD 381.91 Million (₹ 2,476.69 Crores) {March 31, 2016 USD 250.63 Million (₹ 1,660.35 Crores), April 1, 2015 USD 486.62 Million (₹ 3,041.26 Crores)}.(These Corporate Guarantees are issued in different currencies viz. US\$, UAE Dirham, Bangladesh Taka, Omani Rial, etc.)
- (ii) In favour of the Government Authority on behalf of one of the Company's Unit of an amount not exceeding ₹ 3.00 Crores (March 31, 2016 ₹ 3.00 Crores, April 1, 2015 ₹ 3.00 Crores) towards exemption from payment of excise duty.
- (iii) In favour of the Bank, for assistance in arrangement of interest bearing loan of ₹ 500 Crores (March 31, 2016 ₹ 500 Crores, April 1, 2015 ₹ 500 Crores) to Jaiprakash Associates Limited.

Note 33 - Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 943.28 Crores (March 31, 2016 ₹ 700.26 Crores, April 1, 2015 ₹ 1,239.25 Crores).

Note 34 :

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company is in the process of making an application for the transfer of mines.

Note 35 - Acquisition of identified cement units of Jaiprakash Associates Limited:

The Board of Directors of the Company has approved a Scheme of Arrangement between the Company, Jaiprakash Associates Limited ("JAL"), JCCL and their respective shareholders and creditors ("the Scheme") for the acquisition of identified cement plants situated in the states of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, having a capacity of 21.20 mtpa at an enterprise value of ₹ 16,189 Crores.

The Scheme has received the sanction of the National Company Law Tribunal, Mumbai Bench and the Allahabad Bench and also by the Securities and Exchange Board of India. The Scheme will be made effective by the Board of Directors of the Company, JAL and JCCL upon receipt of the remaining approvals.

Note 36 - Employee Benefits (Ind AS 19):

(A) Defined Benefit Plans:

Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company for payment of gratuity.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Pension:

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company.

Post-Retirement Medical Benefits:

On account of cement business acquired from transferor under a scheme of amalgamation, there are certain ex-employees of such company who are entitled for post-retirement medical benefits as per the scheme of such company, other employees are not entitled for these benefits.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 36 - Employee Benefits (Ind AS 19): (Contd.)

Statement of Assets and Liabilities for Defined Benefit Obligation as on April 1, 2015:

₹ in Crores

Particulars	Gratuity (Funded)	Pension	Post -Retirement Medical Benefits
Defined benefit obligation	310.58	7.91	0.56
Fair Value of the Assets	310.58	-	-

Particulars	As at March 31, 2017			As at March 31, 2016		
	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(i) Change in defined benefit obligation						
Balance at the beginning of the year	355.12	7.63	0.57	310.58	7.91	0.56
Adjustment of:						
Current Service Cost	30.36	-	-	28.09	-	-
Interest Cost	27.74	0.58	0.04	23.97	0.59	0.04
Actuarial (gains)/losses recognised in Other Comprehensive Income:						
- Change in Financial Assumptions	24.73	0.40	0.02	(5.52)	(0.08)	(0.01)
- Change in Demographic Assumptions	(11.24)	-	-	-	-	-
- Experience Changes	2.16	0.18	0.01	13.14	0.12	0.03
Benefits Paid	(21.54)	(0.91)	(0.03)	(15.14)	(0.91)	(0.05)
Balance at the end of the year	407.33	7.88	0.61	355.12	7.63	0.57
(ii) Change in Fair Value of Assets						
Balance at the beginning of the year	355.12	-	-	310.58	-	-
Expected Return on Plan Assets	28.55	-	-	24.57	-	-
Re-measurements due to:	3.03	-	-	5.10	-	-
Actual Return on Plan Assets less interest on Plan Assets						
Contribution by the employer	66.54	0.91	0.03	30.01	0.91	0.05
Benefits Paid	(21.54)	(0.91)	(0.03)	(15.14)	(0.91)	(0.05)
Balance at the end of the year	431.70	-	-	355.12	-	-
(iii) Net Asset / (Liability) recognised in the Balance Sheet						
Present value of Defined Benefit Obligation	(407.33)	(7.88)	(0.61)	(355.12)	(7.63)	(0.57)
Fair Value of Plan Assets	431.70	-	-	355.12	-	-
Net Asset / (Liability) in the Balance Sheet	24.37	(7.88)	(0.61)	-	(7.63)	(0.57)
(iv) Expenses recognised in the Statement of Profit and Loss						
Current Service Cost	30.36	-	-	28.09	-	-
Interest Cost	27.74	0.58	0.04	23.97	0.59	0.04
Expected Return on Plan Assets	(28.55)	-	-	(24.57)	-	-
Total Expense	29.55	0.58	0.04	27.49	0.59	0.04
Less: Transferred to Pre-operative Expenses	(0.07)	-	-	(0.23)	-	-
Amount charged to the Statement of Profit and Loss	29.48	0.58	0.04	27.26	0.59	0.04
(v) Re-measurements recognised in Other Comprehensive Income (OCI):						
Changes in Financial Assumptions	24.73	0.40	0.02	(5.52)	(0.08)	(0.01)
Changes in Demographic Assumptions	(11.24)	-	-	-	-	-
Experience Adjustments	2.16	0.18	0.01	13.14	0.12	0.03
Actual return on Plan assets less interest on plan assets	(3.03)	-	-	(5.10)	-	-
Amount recognised in Other Comprehensive Income (OCI)	12.62	0.58	0.03	2.52	0.04	0.02

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 36 - Employee Benefits (Ind AS 19): (Contd.)

₹ in Crores

Particulars	As at March 31, 2017			As at March 31, 2016		
	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(vi) Maturity profile of defined benefit obligation:						
Within the next 12 months	37.75	0.07	0.06	29.50	0.07	0.08
Between 1 and 5 years	118.33	0.28	0.23	95.14	0.28	0.22
Between 5 and 10 years	152.39	0.27	0.22	139.05	0.27	0.22
10 Years and above	746.77	0.89	0.64	791.07	0.95	0.64
(vii) Sensitivity analysis for significant assumptions:*						
Increase/(Decrease) on present value of defined benefits obligation at the end of the year						
1% increase in discount rate	(37.03)	(0.53)	(0.04)	(33.56)	(0.51)	(0.04)
1% decrease in discount rate	43.58	0.61	0.04	39.55	0.58	0.04
1% increase in salary escalation rate	42.48	-	-	38.82	-	-
1% decrease in salary escalation rate	(36.94)	-	-	(33.66)	-	-
1% increase in employee turnover rate	(13.36)	-	-	(11.40)	-	-
1% decrease in employee turnover rate	15.89	-	-	13.65	-	-
(viii) The major categories of plan assets as a percentage of total plan @						
Insurer Managed Funds	100%	N.A.	N.A.	100%	N.A.	N.A.
Total	100%	N.A.	N.A.	100%	N.A.	N.A.
(ix) Actuarial Assumptions:						
Discount Rate (p.a.)	7.50%	7.50%	7.50%	8.15%	8.15% / 8.06%	8.15%
Expected Return on Plan Assets (p.a.)	7.50%	-	-	8.00%	-	-
Turnover Rate	2%	-	-	1%-2%	-	-
Mortality tables	Indian Assured Lives Mortality (2006-08)	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably	Indian Assured Lives Mortality (2006-08)	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably
Salary Escalation Rate (p.a.)	8.00%	-	-	8.00%	-	-
Retirement age : Management - Non-Management-	60 Yrs. 58 Yrs.	-	60 Yrs.	60 Yrs. 58 Yrs.	-	60 Yrs.
(x) Weighted Average duration of Defined benefit obligation	9.8 Yrs.	7.5 Yrs.	6.8 Yrs.	10.2 Yrs.	7.4 Yrs.	6.6 Yrs.

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

@ The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.

(xi) Basis used to determine Expected Rate of Return on Plan Assets:

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(xii) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(xiii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 36 - Employee Benefits (Ind AS 19): (Contd.)

in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of under funding of the plan.

(xiv) The Company's expected contribution during next year is ₹ Nil Crores (March 31, 2016 ₹ 21.06 Crores).

(B) Defined Contribution Plans:

Amount recognized as an expense and included in Note 27 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 71.02 Crores (March 31, 2016 ₹ 65.41 Crores).

(C) Amount recognized as an expense in respect of Compensated Absences is ₹ 27.85 Crores (March 31, 2016 ₹ 29.37 Crores).

(D) Amount recognized as expense for other long-term employee benefits is ₹ 0.77 Crores (March 31, 2016 ₹ 0.67 Crores).

Note 37 - Segment Reporting (Ind AS 108):

The Company is exclusively engaged in the business of cement and cement related products primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

Note 38 - Related party disclosures (Ind AS 24):

(A) List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i) Holding Company: Grasim Industries Limited	India	NA		
(ii) Subsidiary Companies:				
(a) Dakshin Cements Limited	India	100%	100%	100%
(b) UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%	80%
(c) Harish Cement Limited	India	100%	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80% [!]	80% [!]	80% [!]
(e) PT UltraTech Investments Indonesia	Indonesia	100% ^{&}	100% ^{&}	100% ^{&}
(f) UltraTech Cement SA (PTY)	South Africa	100%	100%	100%
(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	UAE	100%	100%	100%
(h) Star Cement Co. LLC, Dubai*	UAE	100% ^{\$}	100% ^{\$}	100% ^{\$}
(i) Star Cement Co. LLC, Ras-Al-Khaimah*	UAE	100% ^{\$}	100% ^{\$}	100% ^{\$}
(j) Al Nakhla Crusher LLC, Fujairah*	UAE	100% ^{\$}	100% ^{\$}	100% ^{\$}
(k) Arabian Cement Industry LLC, Abu Dhabi*	UAE	100% ^{\$}	100% ^{\$}	100% ^{\$}
(l) Arabian Gulf Cement Co W.L.L, Bahrain*	Bahrain	100% [^]	100% [^]	100% [^]
(m) Emirates Power Company Limited, Bangladesh*	Bangladesh	100%	100%	100%
(n) Emirates Cement Bangladesh Limited, Bangladesh*	Bangladesh	100%	100%	100%
(o) Bhagwati Lime Stone Company Private Limited (BLCPL)	India	100%	100%	100%
(p) Awam Minerals LLC, Oman *	Oman	51%	51%	51%
(q) UltraTech Cement Mozambique Limitada, Mozambique*	Mozambique	100% [@]	100% [@]	100% [@]
(r) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%	100%
(s) PT UltraTech Cement Indonesia#	Indonesia	99%	99%	99%
(t) PT UltraTech Mining Sumatera #	Indonesia	100%	100%	100%
(iii) Joint Venture: Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%	47.37%
(iv) Associate: Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%	11.17%

! 4% Shareholding of UCMEIL.

& 5% Shareholding of UCMEIL.

* Subsidiaries of UCMEIL.

\$ 51% held by nominee as required by local law for beneficial interest of the Company.

^ 1 share held by employee as nominee for the beneficial interest of the Company.

@ 90% Shareholding of UCMEIL.

Subsidiary of PT UltraTech Investments Indonesia.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 38 - Related party disclosures (Ind AS 24): (Contd.)

(B) Other Related Parties with whom there were transactions during the year:

Parties	Relationship
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Grasim Bhiwani Textiles Limited	Fellow Subsidiary
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. R.C. Bhargava (Till July 20, 2016) - Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director	Key Management Personnel (KMP)
Mr. Rajiv Dube (Till July 20, 2016) - Non-Executive Director	Key Management Personnel (KMP)
Mr. Adesh Gupta (Till June 30, 2015) - Non-Executive Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu (w.e.f October 11, 2014) - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mr. S. Rajgopal (Till August 28, 2015) - Independent Director	Key Management Personnel (KMP)
Mrs. Renuka Ramnath (w.e.f October 11, 2014) - Independent Director	Key Management Personnel (KMP)
Mr. D.D. Rathi - Non-Executive Director	Key Management Personnel (KMP)
Mr. O.P. Puranmalka - Non-Executive Director	Key Management Personnel (KMP)
Mr. Dilip Gaur (Till March 31, 2016)- Executive Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha (w.e.f June 9, 2016) - Independent Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari (w.e.f April 1, 2016) - Managing Director	Key Management Personnel (KMP)
Mr. Atul Daga (w.e.f June 9, 2016) - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Sita Puranmalka (Till March 31, 2016)	Relative of KMP (Wife of Mr. O.P. Puranmalka)
Mrs. Kritika Daga (w.e.f. June 9, 2016)	Relative of KMP (Wife of Mr. Atul Daga)

(a) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/Relationship	₹ in Crores	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Sale of Goods:		
Holding Company	6.07	5.42
Subsidiaries	313.43	252.57
Fellow Subsidiary	0.09	0.07
Total	319.59	258.06
Purchase of Goods:		
Holding Company	1.46	2.34
Fellow Subsidiary	0.06	0.03
Subsidiaries	30.52	14.20
Total	32.04	16.57
Sale of Fixed Assets:		
Holding Company	0.23	0.04
Purchase of Fixed Assets:		
Holding Company	0.64	0.03
Services received from:		
Holding Company	1.14	0.94
Fellow Subsidiary	0.48	0.48
Subsidiaries	0.66	3.88
KMP	34.90	34.17
Relative of Key Management Personnel	0.11	0.23
Total	37.29	39.70
Services rendered to:		
Subsidiaries	52.92	42.88

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 38 - Related party disclosures (Ind AS 24): (Contd.)

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2017	Year Ended March 31, 2016
Dividend received:		
Subsidiaries	13.75	19.02
Dividend Paid:		
Holding Company	157.07	148.80
Deposit Given:		
Relative of KMP	5.00	-
Investments:		
Subsidiaries	33.85	1.78
Advance against Equity Refund:		
Associates	-	0.05
Corporate Guarantees on behalf of subsidiaries:		
Given/ issued during the year	880.69	1,534.00
Released/ reduced during the year	-	3,078.68

(b) Outstanding balances:

Nature of Transaction/Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans and Advances:			
Holding Company	0.32	-	0.18
Fellow Subsidiary	0.36	0.35	0.37
Associates	-	-	0.05
Joint Ventures	2.49	2.49	2.49
Total	3.17	2.84	3.09
Trade Receivables:			
Subsidiaries	14.77	11.43	3.23
Trade Payables:			
Subsidiaries	0.90	6.17	-
Deposit:			
Relative of Key Management Personnel	5.00	0.98	0.98
Corporate Guarantees:			
Joint Ventures	4.00	4.00	4.00
Subsidiaries	2,476.69	1,660.35	3,041.26
Total	2,480.69	1,664.35	3,045.26

(c) Compensation of key management personnel of the Company:

Nature of transaction/relationship	Year ended March 31, 2017	Year ended March 31, 2016
Short-term employee benefits	9.48	12.66
Other long-term benefits	4.81	3.02
Share based payment	0.49	2.96
Total compensation paid to key management personnel	14.78	18.64

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

For the year ended March 31, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 39 - Income Taxes (Ind AS 12):

(i) Reconciliation of Effective Tax Rate:

In %

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Applicable tax rate	34.61	34.61
Effect of Tax Exempt Income	(0.20)	(0.10)
Effect of Non-Deductible expenses	0.93	0.73
Effect of Allowances for tax purpose	(2.96)	(4.30)
Effect of Tax paid at a lower rate	(2.38)	(2.94)
Effect of Previous year adjustments	-	0.01
Others	0.41	0.14
Effective Tax Rate	30.41	28.15

- (ii) At March 31, 2017 a deferred tax liability of ₹ 51.54 Crores (March 31, 2016 ₹ 37.19 Crores) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognized because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.
- (iii) The Company has announced a proposed dividend of ₹ 10/- per share and accordingly, the dividend distribution tax on account of the same amounting to ₹ 50.88 Crores shall be recognized once the dividend is paid.

Note 40 - Earnings per Share (EPS) (Ind AS 33):

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	2,627.72	2,370.16
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,454,099	274,412,456
Basic EPS (₹) (i)/(ii)	95.74	86.37
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	274,454,099	274,412,456
(ii) Add: Potential Equity Shares on exercise of option (Nos.)	122,287	156,017
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii)	274,576,386	274,568,473
Diluted EPS (₹) {(A) (i) / (B) (iii)}	95.70	86.32

Note 41 - Auditors' remuneration (excluding service tax) and expenses:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Review)	2.08	2.37
Tax audit fees	0.10	0.15
Fees for other services	0.08	0.09
Expenses reimbursed	0.09	0.03
(b) Cost Auditors:		
Audit fees	0.17	0.16
Fees for other services (March 31, 2016 - ₹ 25,000)	-	-
Expenses reimbursed	0.01	0.01

Note 42 :

The following expenses are included in the different heads of expenses in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2017			Year ended March 31, 2016		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	82.80	45.45	128.25	83.09	59.62	142.71
Royalty and Cess	582.45	-	582.45	607.79	-	607.79

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 43 - Share Based Payments (Ind AS 102):

The Company has granted 805,950 options (including Restricted Stock Units) to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

*Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Company.

(B) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 43 - Share Based Payments (Ind AS 102): (Contd.)

(C) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2017		As at March 31, 2016	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	315,961	1,441.56	324,869	1,332.15
Granted during the year	60,098	2,594.43	34,704	2,186.25
Exercised during the year	(76,529)	862.43	(26,750)	998.07
Forfeited during the year	(47,953)	1,507.37	(16,862)	1,569.85
Outstanding at the end of the year	251,577	1,880.59	315,961	1,441.56
Options exercisable at the end of the year	122,191	1,601.16	83,134	1,679.80

The weighted average share price at the date of exercise for options was ₹ 3,621.29 per share (March 31, 2016 ₹ 2,845.53 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2017 was 4.5 years (March 31, 2016 : 4.2 years).

(D) Fair Valuation:

Weighted Average Fair value of the options granted during the year ₹ 2,366.93 (March 31, 2016 ₹ 2,033.15)

The fair value of option have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche I: 0.49, Tranche II: 0.52, Tranche III: 0.30, Tranche IV: 0.30, Tranche V: 0.30, Tranche VI: 0.25
4. Expected Growth in Dividend - 20%

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
(b) For RSU - Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche I: 0.29, Tranche II: 0.27, Tranche III: 0.28, Tranche IV: 0.60 Tranche V: 0.60, Tranche VI: 0.61
4. Expected Growth in Dividend - Tranche I: 20%, Tranche II-III: 15%, Tranche IV: 5%, Tranche V: 5%, Tranche VI: 5%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

(E) Details of the liabilities arising from the Share based payments were as follows:

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total Carrying amount	20.94	25.20	17.30

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 44(A) - Classification of Financial Assets and Liabilities (Ind AS 107):

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial Assets at amortised cost:			
Trade receivables	1,276.17	1,414.89	1,203.19
Loans	179.48	184.88	187.21
Investments (non-current)	730.66	710.51	708.73
Cash and bank balances	2,217.74	2,235.20	200.57
Other financial assets	213.19	227.89	193.32
Financial Assets at fair value through profit or loss:			
Investments	6,678.01	5,082.67	4,939.56
Fair Value Hedging Instruments:			
Derivative assets	146.30	624.43	539.97
Total	11,441.55	10,480.47	7,972.55
Financial Liabilities at amortised cost:			
Non-Convertible Debentures	2,825.00	1,665.00	1,774.00
Term Loan from Banks	400.00	1,175.00	450.00
Cash Credits/Working Capital Borrowing	37.49	255.37	153.96
Commercial Papers	978.35	1,487.30	1,244.10
Sales Tax Deferment Loan	304.23	305.32	347.05
Trade payables	1,713.80	1,581.46	1,546.84
Other financial liabilities	265.96	317.38	377.59
Foreign Currency Borrowings	1,695.36	3,361.57	3,802.63
Fair Value Hedging Instruments:			
Derivative liability	31.15	29.34	165.51
Total	8,251.34	10,177.74	9,861.68

Note 44 (B) - Fair Value measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	Fair Value		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial Assets at fair value through profit or loss:			
Investments – Level 2	6,662.70	5,068.62	4,926.31
Investments – Level 3	15.31	14.05	13.25
Fair Value Hedging Instruments:			
Derivative assets – Level 2	146.30	624.43	539.97
Total	6,824.31	5,707.10	5,479.53
Fair Value Hedging Instruments:			
Derivative liability – Level 2	31.15	29.34	165.51
Total	31.15	29.34	165.51

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 44 (B) - Fair Value measurements (Ind AS 113): (Contd.)

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits, commercial papers and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.
- The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- The fair value of commodity swaps is calculated as the present value determined using the forward price and interest rate curve of the respective currency.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2017, March 31, 2016 and April 01, 2015 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value
Investments in Unquoted instruments accounted for as Fair value through Profit and Loss	DCF method	Average Cost of Borrowings	March 31, 2017: 8.50% March 31, 2016: 8.50% April 01, 2015: 8.25%	0.5% (March 31, 2016: 0.5%) increase/(decrease) would result in increase/(decrease) in fair value by ₹ (0.38) Crores (March 31, 2016: ₹ (0.41) Crores)

Reconciliation of Level 3 Fair Value Measurements:

	₹ in Crores
Balance as at April 1, 2015	-
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.79
Balance as at March 31, 2016	0.79
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.11
Balance as at March 31, 2017	1.11

Note 45 - Financial Risk Management Objectives (Ind AS 107):

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps that are entered to hedge foreign currency risk exposure, interest rate swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing Analysis, Credit Rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, Criteria based approval process
Liquidity Risks	Borrowings and Other Liabilities and Liquid investments	Rolling Cash Flow Forecasts Broker Quotes	Adequate unused credit lines and borrowing facilities Portfolio Diversification

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 45 - Financial Risk Management Objectives (Ind AS 107): (Contd.)

Risk	Exposure Arising From	Measurement	Management
Foreign Exchange Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts Foreign currency options Principal only/Currency swaps
Interest Rate	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	Interest Rate swaps Portfolio Diversification
Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal	Sensitivity Analysis, Commodity price tracking	Commodity Fixed Prices Swaps/ Options

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

The Corporate Treasury team updates to the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials and spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

In Crores

Outstanding foreign currency exposure	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables			
USD	0.37	0.26	0.14
Euro	0.09	-	-
Others	-	-	0.02
Trade Payables			
USD	0.29	0.55	0.53
Euro	0.18	0.29	0.29
Borrowings			
USD	26.14	45.87	49.28
JPY	-	546.64	1,386.64
Others			
USD	-	0.10	0.12
JPY	-	-	1.78
Investments			
USD	6.92	6.40	6.40

Foreign currency sensitivity on unhedged exposure:

1% increase in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
USD	(4.49)	(4.24)	(4.00)
Euro	-	-	(0.05)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 45 - Financial Risk Management Objectives (Ind AS 107): (Contd.)

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure:

₹ in Crores

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings
INR	4,545.07	36.80	4,204.04	304.23
USD	1,695.36	-	1,695.36	-
Total as at March 31, 2017	6,240.43	36.80	5,899.40	304.23
INR	4,887.98	246.11	4,336.55	305.32
USD	3,039.14	668.70	2,370.44	-
JPY	322.44	-	322.44	-
Total as at March 31, 2016	8,249.56	914.81	7,029.43	305.32
INR	3,969.10	143.29	3,478.76	347.05
USD	3,079.84	562.50	2,517.34	-
JPY	722.78	297.11	425.67	-
Total as at April 1, 2015	7,771.72	1,002.90	6,421.77	347.05

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings

Interest rate sensitivities for unhedged exposure (impact on increase in 100 bps):

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
INR	(0.37)	-	(1.43)
USD	-	(2.46)	(5.70)
JPY	-	(6.05)	(3.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

Forward Exchange and Interest Rates Swaps Contracts:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

Particulars	Purpose	Currency	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	Cross Currency
a. Forward Contracts	Imports	USD	6.09	3.29	2.54	Rupees
	ECB*	USD	-	0.10	-	Rupees
	ECB*	JPY	-	-	30.00	USD
	EPC ^	USD	-	1.45	-	Rupees
	Imports	Euro	0.31	-	-	Rupees
	Imports	Euro	1.66	1.27	0.21	USD
b. Other Derivatives:						
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	22.14	30.78	35.28	Rupees
	ECB*	JPY	-	546.64	816.64	Rupees
ii. Principal only Swap	ECB*	JPY	-	-	540.00	USD
	ECB*	USD	4.00	13.64	19.51	Rupees
iii. Interest Rate Swap	ECB*	USD	4.00	5.00	5.00	USD

*External Commercial Borrowings

^ Export Packing Credit

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 45 - Financial Risk Management Objectives (Ind AS 107): (Contd.)

(B) Cash Flow Hedges:

The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following Hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach. The Company assesses hedge effectiveness based on following criteria:

- (i) an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk ; and
- (iii) assessment of the hedge ratio

The Company designates the forward exchange contracts to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is for the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	March 31, 2017	67.38	9.64	(35.22)
Buy Currency for External Commercial Borrowings (USD)	March 31, 2016	66.48	1.45	(0.70)

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	March 31, 2017	7.86%	9.64	(31.15)
2 to 5 years	March 31, 2016	NIL	NIL	NIL

*Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps

The Line item in the Balance Sheet that includes the above Hedging Instruments is "Other Financial Assets"/ "Other Financial Liabilities"

Recognition of gains / (losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	(6.75)	-	(0.38)	-

Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables:

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Total Trade receivable as on March 31, 2017 is ₹ 1,276.17 Crores (March 31, 2016 ₹ 1,414.89 Crores, April 01, 2015 ₹ 1,203.19 Crores)

The Company does not have higher concentration of credit risks to a single customer. Single largest customers have total exposure in sales 2.2% (March 31, 2016 2.3%) and in receivables 7.7% (March 31, 2016 9.8%, April 01, 2015 5.5%).

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016
Opening provision	20.43	2.00
Add: Provided during the year	16.63	18.74
Less: Utilised during the year	(1.38)	(0.31)
Closing Provision	35.68	20.43

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 45 - Financial Risk Management Objectives (Ind AS 107): (Contd.)

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/ Counterparty. Investments primarily include investment in units of mutual funds, Quoted Bonds, Non-Convertible Debentures issued by Government/ Semi Government Agencies/ PSU Bonds/ High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2017 is ₹ 7,408.67 Crores (March 31, 2016 ₹ 5,793.18 Crores; April 01, 2015 ₹ 5,648.29 Crores)

Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2017	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	2,040.31	3,288.53	911.59	6,240.43
Trade payables	1,713.80	-	-	1,713.80
Interest accrued but not due on borrowings	138.42	-	-	138.42
Other financial liabilities (excluding derivative liability)	127.53	0.01	-	127.54
Derivative liability	-	31.15	-	31.15
Investments	5,405.95	1,256.75	-	6,662.70

As at March 31, 2016	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	5,581.67	2,155.82	512.07	8,249.56
Trade payables	1,581.46	-	-	1,581.46
Interest accrued but not due on borrowings	113.47	-	-	113.47
Other financial liabilities (excluding derivative liability)	196.97	6.94	-	203.91
Derivative liability	29.34	-	-	29.34
Investments	2,359.98	2,708.65	-	5,068.63

As at April 1, 2015	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	2,770.84	4,726.05	274.87	7,771.76
Trade payables	1,546.84	-	-	1,546.84
Interest accrued but not due on borrowings	128.63	-	-	128.63
Other financial liabilities (excluding derivative liability)	248.71	0.25	-	248.96
Derivative liability	87.89	74.60	3.02	165.51
Investments	2,779.08	2,147.23	-	4,926.31

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 46 - Distribution made and proposed (Ind AS 1):

₹ in Crores

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2016: ₹ 9.5 per share (March 31 2015: ₹ 9.0 per share)	260.71	246.96
DDT on final dividend	50.28	46.40
Total Dividend paid	310.99	293.36
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2017: ₹10/- per share (March 31, 2016: ₹ 9.5 per share)	274.51	260.71
DDT on proposed dividend	55.88	53.07
Total Dividend proposed	330.39	313.78

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

Note 47 - Capital Management (Ind AS 1):

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total Debt (Bank and other borrowings)	6,240.43	8,249.56	7,771.74
Equity	23,941.01	21,631.83	19,540.25
Liquid Investments including bank deposits	8,836.11	7,235.95	5,073.98
Debt to Equity (Net)	(0.11)	0.05	0.14

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

Note 48 - Research and Development:

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 13.31 Crores. (March 31, 2016 ₹ 14.27 Crores).

Note 49 - Corporate Social Responsibility:

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 54.15 Crores (March 31, 2016 ₹ 46.27 Crores) and on account of capital expenditure is ₹ Nil Crores (March 31, 2016 ₹ 4.62 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2017 is ₹ 53.36 Crores (March 31, 2016 ₹ 57.82 Crores) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

Note 50 - Government Grant (Ind AS 20):

- Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 126.38 Crores (March 31, 2016 ₹ 135.86 Crores).
- Interest, Wages Expenses and Repairs to plant and machinery are net of subsidy received, under State Investment Promotion Scheme of ₹ 26.91 Crores (March 31, 2016 ₹ 65.10 Crores), ₹ 3.70 Crores (March 31, 2016 ₹ 7.11 Crores) and ₹ 1.55 Crores (March 31, 2016 ₹ Nil) respectively.
- Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an income. Accordingly, an amount of ₹ 17.82 Crores (March 31, 2016: ₹ 2.24 Crores) has been recognized as an income. Every year charge in fair value is accounted for as an interest expense.

Note 51 - Assets held for Disposal (Ind AS 105):

The Company has identified certain assets to be disposed off like Packaging Plant, DG Set, Vertical Roller Press Mill, etc. which are not in use by the Company. The Company is in the process of discussion with various potential buyers and expects the same to be disposed off within next twelve months.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 52 - Operating Lease (Ind AS 17):

(a) Future minimum rental payables under non-cancellable operating lease

₹ in Crores

Sr. No.	Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(i)	Not later than one year	2.03	1.94
(ii)	Later than one year and not later than five years	5.71	7.75
(iii)	More than five years	-	-

(b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 130.35 Crores (March 31, 2016 ₹ 130.63 Crores)

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

Note 53 - Disclosure for Specified Bank Notes:

₹ in Crores

Particulars	Specified Bank Notes (₹ 1000 and ₹ 500)	Other Denomination Notes	Total
Closing cash in hand as on November 08, 2016	0.29	0.04	0.33
(+) Permitted receipts	0.04	0.61	0.65
(-) Permitted payments	-	(0.41)	(0.41)
(+) Amount Withdrawn from Banks	-	0.01	0.01
(-) Amount deposited in Banks	0.33	0.07	0.40
Closing cash in hand as on December 30, 2016	-	0.18	0.18

Note 54 :

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017. The Company is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

(A) Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(B) Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

Note 55 - First-time adoption of Ind AS (Ind AS 101):

As stated in Note 1, these financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Exemptions Availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

(a) Past Business Combinations:

The Company has elected not to apply Ind AS 103- Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

(b) **Deemed cost for property, plant and equipment and intangible assets:**

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(c) **Share-Based Payments:**

The Company has opted not to apply Ind AS 102, Share based payment to equity instruments that vested before date of transition to Ind AS and to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind ASs.

(d) **Investment in Subsidiary, Joint ventures and Associates:**

The Company has elected to carry its investment in subsidiary, joint venture and associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

(e) **Decommissioning liabilities included in the cost of property, plant and equipment:**

The Company has measured the liability as at the date of transition to Ind AS as per Ind AS 37 to the extent that the liability is within the scope of Ind AS 16, estimated the amount that would have been included in the cost of the related asset when the liability first arose, by discounting the liability to that date using its best estimate of the historical risk-adjusted discount rate that would have applied for that liability over the intervening period and calculated the accumulated depreciation on that amount, as at the date of transition to Ind AS, on the basis of the current estimate of the useful life of the asset, using the depreciation policy adopted by the entity in accordance with Ind AS.

(f) **Sales Tax Deferment Loan:**

The Company has elected to use the previous GAAP carrying amount of the Sales Tax Deferment Loan existing at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

(g) **Fair Value of Financial Assets and Liabilities:**

As per Ind AS exemption the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Reconciliation of equity

₹ in Crores

Particulars	Notes	As at April 01, 2015			As at March 31, 2016		
		IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
Assets							
Non-Current Assets							
(a) Property Plant and Equipment	a	20,878.66	4.80	20,883.46	22,434.71	(58.00)	22,376.71
(b) Capital Work-in-progress		2,068.85	-	2,068.85	1,414.48	-	1,414.48
(c) Intangible Assets	a (iii)	68.80	127.78	196.58	98.00	212.83	310.83
(d) Intangible Assets under development		4.84	-	4.84	1.08	-	1.08
(e) Financial Assets							
(i) Investments	b	2,685.77	183.44	2,869.21	3,080.51	352.69	3,433.20
(ii) Loans	f	9.32	57.43	66.76	8.95	56.94	65.89
(iii) Other Financial Assets	c, e, f	84.51	453.91	538.41	61.94	216.40	278.34
(f) MAT Credit	j (ii)	711.42	(711.42)	-	888.28	(888.28)	-
(g) Non-current tax assets		94.78	-	94.78	92.25	-	92.25
(h) Other non-current assets	a (ii), c, f	803.73	27.19	830.92	580.88	1.46	582.34
Total Non-Current Assets		27,410.68	143.13	27,553.81	28,661.08	(105.96)	28,555.12
Current Assets							
(a) Inventories	a (i)	2,751.41	(108.57)	2,642.84	2,426.09	(148.48)	2,277.61
(b) Financial Assets							
(i) Investments	b	2,522.97	256.11	2,779.08	2,027.61	332.37	2,359.98
(ii) Trade Receivables		1,203.19	-	1,203.19	1,414.89	-	1,414.89
(iii) Cash and cash equivalents	d	200.57	(140.08)	60.49	2,235.20	(2,159.43)	75.77
(iv) Bank balances other than (iii) above	d	-	140.08	140.08	-	2,159.43	2,159.43
(v) Loans	f	9.85	110.61	120.45	9.09	109.90	118.99
(vi) Other Financial Assets	e, f	206.54	(11.65)	194.88	156.57	417.41	573.98
(c) Other current assets	f	905.50	(84.02)	821.48	907.10	(166.75)	740.35
Asset Held for disposal		4.24	-	4.24	14.45	-	14.45
Total Current Assets		7,804.27	162.46	7,966.73	9,191.00	544.45	9,735.45
Total Assets		35,214.95	305.59	35,520.54	37,852.08	438.49	38,290.57

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

Reconciliation of equity

₹ in Crores

Particulars	Notes	As at April 01, 2015			As at March 31, 2016		
		Indian GAAP	+/-	Ind AS	Indian GAAP	+/-	Ind AS
Equity and Liabilities							
Equity							
(a) Equity Share Capital		274.40	-	274.40	274.43	-	274.43
(a) Other Equity	b, i, j, k, m to u	18,583.28	682.58	19,265.86	20,461.66	895.74	21,357.40
Equity Attributable to Equity Holders of Parent		18,857.68	682.58	19,540.26	20,736.09	(895.74)	21,631.83
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings	g, l	4,613.75	387.17	5,000.92	2,490.84	177.05	2,667.89
(ii) Other financial liabilities	e	0.25	77.62	77.87	6.94	-	6.94
(b) Provisions	h	163.36	68.43	231.79	180.77	71.96	252.73
(c) Deferred tax liabilities (net)	j	2,792.01	(664.61)	2,127.40	3,227.37	(795.38)	2,431.99
(d) Other non-current liabilities		1.09	-	1.09	1.04	-	1.04
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	g	1,898.08	-	1,898.08	2,339.07	(0.32)	2,338.75
(ii) Trade Payables	i	1,553.47	(6.64)	1,546.83	1,613.57	(32.11)	1,581.46
(iii) Other financial liabilities	e, g, i	1,279.69	58.28	1,337.97	3,141.20	441.50	3,582.70
(b) Other current liabilities		2,915.92	-	2,915.92	3,169.29	(6.17)	3,163.12
(c) Provisions	k	455.20	(297.24)	157.96	475.64	(313.78)	161.86
(d) Current Tax Liabilities (net)		684.45	-	684.45	470.26	-	470.26
Total Equity and Liabilities		35,214.95	305.59	35,520.54	37,852.08	438.49	38,290.57

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Revenue				
Revenue from Operations	m, n	24,107.36	2,839.78	26,947.14
Other Income	o	235.16	245.50	480.66
Total Income (I)		24,342.52	3,085.28	27,427.80
Expenses				
Cost of Raw Materials Consumed	p	3,553.71	(2.83)	3,550.88
Purchases of Stock-in-Trade		439.68	-	439.68
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	m (ii)	(12.31)	5.50	(17.81)
Employee Benefits Expense	q, r	1,341.52	1.50	1,343.02
Finance Costs	t	505.29	6.37	511.66
Depreciation and Amortisation Expense	s	1,289.03	8.01	1,297.04
Power and Fuel		4,240.81	-	4,240.81
Freight and Forwarding Expense		5,934.90	-	5,934.90
Excise Duty on sales	m		3,238.85	3,238.85
Other Expenses	s	4,029.28	(402.22)	3,627.06
Less: Captive Consumption of Cement		(36.35)	-	(36.35)
Total Expenses (II)		21,285.56	2,843.68	24,129.24
Profit before Tax Expenses		3,056.96	241.60	3,298.56
Tax Expenses:				
Current Tax		623.81	-	623.81
Deferred Tax Charge	j	258.50	46.09	304.59
Total		882.31	46.09	928.40
Profit for the Year		2,174.65	195.51	2,370.16

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

₹ in Crores

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit and Loss	u		(2.58)	(2.58)
(ii) Income Tax relating to items that will not be reclassified to profit and Loss			-	-
B (i) Items that will be reclassified to profit and Loss	u		5.22	5.22
(ii) Income Tax relating to items that will be reclassified to profit and Loss			-	-
Other Comprehensive Income for the Year			2.64	2.64
Total Comprehensive Income for the Year			2,372.80	2,372.80

Reconciliation of Statement of Cashflow for the year ended March 31, 2016

Particulars	Indian GAAP	Effect of transition to Ind AS	Ind AS
Net Cashflow from Operating Activities	4,330.61	23.85	4,354.46
Net Cashflow from Investing Activities	(1,732.33)	(23.65)	(1,755.98)
Net Cashflow from Financing Activities	(582.22)	(0.20)	(582.42)
Net increase/(decrease) in Cash and Cash equivalents	2,016.06	-	2,016.06
Cash and cash equivalents as at April 01, 2015	66.27	-	66.27
Cash and cash Equivalents as at March 31, 2016	2,082.33	-	2,082.33

Notes to the Reconciliation of equity as at April 1, 2015 and March 31, 2016 and Total Comprehensive Income for the year ended March 31, 2016:

(a) Property, Plant and Equipment:

- (i) As per Ind AS 16, spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment ('PPE') when they meet the following criteria:

- Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- Are expected to be used during more than one period.

Based on the above provision, stores and spares satisfying above criteria are de-recognised from Inventory and capitalized as PPE from the date of purchase.

- (ii) Under IGAAP, Leasehold Land were classified as Fixed Assets as the standard on leases excluded Land. However, as per Ind AS 17, where the substantial risks and rewards incidental to ownership of an asset has not been transferred in the name of Company, the Company has classified such land under Operating Leases. The amount paid towards such leases has been shown as Prepayments under Other non-current assets.

- (iii) As per Ind AS 38, right to use jetty has been classified as Intangible asset as on the date of transition.

- (iv) As per Appendix A to Ind AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

(b) Investments:

The Company has designated investments other than Investment in Subsidiary, Joint Arrangements and Associates at Fair Value through Profit and Loss (FVTPL). Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognised in Retained Earnings.

- (c) Fixed deposit with maturity greater than twelve months shown in IGAAP under other non-current assets have been reclassified as other non-current financial assets as per Schedule III to Companies Act, 2013.

- (d) Fixed deposit with maturity less than twelve months and those earmarked for debentures redemption and specific purpose have been reclassified from Cash and Cash equivalents to Other Bank Balances as per Schedule III to Companies Act, 2013.

(e) Financial Instruments:

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, currency swaps, principal only swaps and commodity fixed price swap contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively and Hedge accounting as permitted under Ind AS 109 and as per Company accounting policy is applied for the purpose of Accounting in the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

As per Ind AS 109, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(f) Loans/Other Financial Assets/ Other Current Assets:

- (i) As per Schedule III, Security Deposits are to be classified under Loans or Other Non-current/Current Assets respectively. Accordingly, Security Deposits which are financial in nature are classified under Loans and other deposits are classified under Non-current/Current Assets respectively.
- (ii) Under IGAAP, Loans and Advances were shown together under Loans and Advances. However, as per Schedule III, Loans are classified under other Non-current/Current Assets.

(g) Borrowings:

As per Ind AS 109, the Company has classified Foreign Currency Loans as financial liabilities to be measured at amortised cost. The Company has executed derivative contracts to hedge foreign currency risk of borrowings. The borrowings have been restated as at the date of transition.

(h) Provisions:

Under IGAAP, Provision for Asset Retirement Obligation is initially measured at the undiscounted amount to settle the obligation, however, Ind AS 37, requires that where the effect of time value of money is material, the amount of provision should be the present value of the expenditures expected to be required to settle the obligation.

- (i) For Forward Covers and Commodity Derivatives, MTM reclassified to Derivative Liability as on the date of transition. The resulting gains or losses as on the date of transition are included in Retained earnings.

(j) Deferred Tax:

- (i) IGAAP 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 IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.
- (ii) As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.

(k) Proposed Dividend:

Under IGAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. In case of the Company, the declaration of dividend occurs after period end. Accordingly, proposed dividend has been reversed as at the date of transition and for financial year 2015-16 respectively and adjusted in retained earnings in financial year 2015-16 and 2016-17 respectively when paid.

(l) Sales Tax Deferment Loan:

Under IGAAP, sales tax deferment loan is recognized at the original amount without imputing interest and disclosed as borrowings. As per Ind AS 109 and Ind AS 20, Sales Tax Deferment Loan results into an interest-free loan from the government. Accordingly, the Company has prospectively measured the Sales Tax Deferment Loan at its fair value which is the discounted amount of the loan computed using the market rate of interest for a similar loan for the period for which the entity is not required to deposit the sales tax amount with the government.

(m) Revenue from Operations:

- (i) Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2016.
- (ii) Under IGAAP, revenue was presented net of excise duty. However, as per Schedule III to the Companies Act, 2013, revenue from operations is to be shown inclusive of excise duty. Accordingly, excise duty has been included in revenue from operations and shown separately as an expense.

(n) Sales Tax Deferment Loan:

The Company has recognised the difference between the amount payable for Sales Tax Deferment Loan and its present value in Profit and Loss Account.

(o) Fair Valuation of Investments other than Investment in Subsidiary, Joint Arrangements and Associates:

The Company has recognised the difference between the fair value of investments and IGAAP carrying amount in Other Income.

(p) Mines Restoration Expenses:

Under IGAAP, Mines Restoration expense booked in financial year 2015-16 has been now reversed as it is accounted for as per Ind AS 16.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

(q) Share Based Payments:

Under IGAAP, the Company opted for the option to recognise the intrinsic value of the long-term incentive plan as an expense. Ind AS 102 requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period.

(r) Defined Benefit Liabilities:

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(s) Other Expenses and Depreciation:

(i) Stores and Spares:

With reference to Point (a), Stores and Spares consumption has been reversed from Profit & Loss which has been capitalized as PPE.

Depreciation on capitalized stores and spares till the date of transition has been accounted for in Retained Earnings and has been charged to Statement of Profit and Loss for the year ended March 31, 2016.

(ii) Derivative Instruments:

- In continuation to Point (e), the method of recognizing the resulting gain or loss on fair valuation of derivative instruments depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. The resulting gains or losses arising from changes in the fair value of derivatives as on the date of transition is included in Retained earnings and for the year ended March 31, 2016 in Statement of Profit and Loss.

- With reference to Point (i), the resulting gain or loss on Forward Covers is credited in Statement of Profit and Loss for the year ended March 31, 2016.

(iii) Leasehold Land Prepayments:

With reference to Point (aii), depreciation on leasehold land is reversed and charged as Rent expense in Statement of Profit and Loss for the year ended March 31, 2016.

(iv) Asset Retirement Obligation:

With reference to Point (a), depreciation is charged in Statement of Profit and Loss for the year ended March 31, 2016.

(t) Finance Costs:

With reference to Point (a-iv), Ind AS 37 provides that where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as finance cost in Statement of Profit and Loss for the year ended March 31, 2016.

(u) Other Comprehensive Income:

In accordance with Ind AS, Movement in Other Comprehensive Income includes effective portion of gains and loss on hedging instruments in a cash flow hedge and remeasurements on defined benefit liability which was charged to Statement of Profit and Loss as per the IGAAP.

Note 56:

Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest ₹ in lakhs.

Signatures to Note '1' to '56'

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

VIJAY MATHUR

Partner

Membership No: 46476

Mumbai,

April 24, 2017

For Khimji Kunverji & Co.

Chartered Accountants

Firm Registration No: 105146W

KETAN VIKAMSEY

Partner

Membership No: 44000

For and on behalf of the Board of Directors

K. K. MAHESHWARI

Managing Director

S. B. MATHUR

Director

ATUL DAGA

Whole-time Director and CFO

S. K. CHATTERJEE

Company Secretary



ADITYA BIRLA GROUP

BEAUTIFUL DREAMS
BUILD BEAUTIFUL HOMES.



Give your dreams shape with UltraTech Cement.
The one cement which understands the desire
to build beautiful.

UltraTech
CEMENT
The Engineer's Choice

**Build
beautiful**

INDEPENDENT AUDITORS' REPORT

To the Members of
UltraTech Cement Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of UltraTech Cement Limited ('hereinafter referred to as "the Holding Company"'), its subsidiaries, its associate and its joint venture (the Holding Company, its subsidiaries, its associate and its joint venture together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31 March 2017 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and 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 statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective standalone 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 Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 (b) 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 standalone or consolidated financial statements, as applicable, and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at 31 March 2017, and their consolidated financial performance (including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to Note 37 (b) of the consolidated Ind AS financial statements which describes the following matters:

- a) In terms of order dated 31 August 2016, the Competition Commission of India ('CCI') has imposed penalty of Rs.1,175.49 crore for alleged contravention of the provisions of the Competition Act, 2002 by the Holding Company. The Holding Company had filed an appeal against CCI Order before the Competition Appellate Tribunal ('COMPAT'). COMPAT has granted stay on the CCI Order on the condition that the Holding Company deposits 10% of the penalty amounting to Rs.117.56 crore which has since been deposited. Based on a legal opinion and considering the uncertainty relating to the outcome of this matter, no provision has been made.
- b) In terms of order dated 19 January 2017, the CCI has imposed penalty of Rs.68.30 crore pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August 2012 by the Holding Company. The Holding

INDEPENDENT AUDITORS' REPORT (Continued)

Company has filed an appeal before COMPAT and received the stay order dated 10 April 2017. The Holding Company believes it has a good case and considering the uncertainty relating to the outcome of this matter, no provision has been made.

Our opinion is not modified in respect of the above matters.

Other Matters

- a. The comparative financial information of the Group for the year ended 31 March 2016 and the transition date opening Balance Sheet as at 1 April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory consolidated financial statements of the Group prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by B S R & Co. LLP, Chartered Accountants (one of the joint auditors) and G. P. Kapadia & Co., Chartered Accountants (predecessor joint auditor) for the year ended 31 March 2016 and G.P.Kapadia & Co., Chartered Accountants and Deloitte Haskins & Sells LLP, Chartered Accountants (predecessor joint auditors) for the year ended 31 March 2015, whose reports dated 25 April 2016 and 25 April 2015, respectively, expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us with respect to the Holding Company and by other auditors with respect to the subsidiaries and joint venture as noted in sub-paragraph (b) below. Our opinion is not modified in respect of this matter.
- b. We did not audit the financial statements of fifteen subsidiaries whose financial statements reflect total assets of Rs.3,496.22 crore and net assets of Rs.1,012.63 crore as at 31 March 2017, total revenues of Rs.1,796.94 crore and net cash outflows amounting to Rs.3.60 crore 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 profit of Rs Nil for the year ended 31 March 2017, as considered in the consolidated Ind AS financial statements, in respect of a joint venture, 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, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.
- c. We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of Rs.0.82 crore and net assets of Rs.0.72 crore as at 31 March 2017, total revenues of Rs. Nil and net cash outflows amounting to Rs.2.87 crore 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 profit of Rs. 0.01 crore for the year ended 31 March 2017 as considered in the consolidated Ind AS financial statements, in respect of an associate whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management of the Holding company 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 these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial statements are not material to the Group.
- d. Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements, 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 and the financial statements furnished to us by the management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on standalone or consolidated financial statements, as applicable, and the other financial information of subsidiaries, associate and joint venture as noted in the 'Other Matters' paragraph, 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 by the Group 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, 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 specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 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 joint venture incorporated in India, none of the Directors of the Group companies incorporated in India are disqualified as on 31 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 Holding Company, its subsidiaries, associate and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in the "Annexure"; and

INDEPENDENT AUDITORS' REPORT (Continued)

- (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, 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 standalone or consolidated financial statements, as applicable, as also the other financial information of the subsidiaries, associate and joint venture as noted in the 'Other Matters' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 37 (a) to the consolidated Ind AS financial statements.
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. The Group did not have any other long-term 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 Holding Company, its subsidiaries, associate and joint venture incorporated in India; and
 - iv. The requisite disclosures in the consolidated Ind AS financial statements for holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have been provided with respect to Holding Company and subsidiaries incorporated in India. Based on audit procedures, reliance on management representation and reports of the other auditors of subsidiaries and joint venture incorporated in India as noted in the Other Matters paragraph, we report that the disclosures are in accordance with books of account and other records maintained by the Holding Company and subsidiaries incorporated in India and as produced to us by the Management of the Holding Company- Refer Note 58 to the consolidated Ind AS financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm's Registration No: 105146W

Vijay Mathur
Partner
Membership No: 046476

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2017

Mumbai
24 April 2017

Annexure to the Independent Auditors' Report of even date on the consolidated Ind AS financial statements of UltraTech Cement Limited-31 March 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of UltraTech Cement Limited ("hereinafter referred to as "the Holding Company") and its subsidiaries, associate and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, associate and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal controls and both issued by the 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 Consolidated Ind AS 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 Holding 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) 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
- (c) 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 and to the best of our information and according to the explanation given to us and based on consideration of reporting of the other auditors as mentioned in the other matter paragraph, the Holding Company, its subsidiaries and joint venture, which are companies incorporated

Annexure to the Independent Auditors' Report of even date on the consolidated Ind AS financial statements of UltraTech Cement Limited-31 March 2017 (Continued)

in India, 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 31 March 2017, based on the internal control over financial reporting criteria established by the Holding 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 ICAI.

Other Matter

Our aforesaid reports 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 four subsidiaries and one joint venture which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm's Registration No: 105146W

Vijay Mathur
Partner
Membership No: 046476

Ketan Vikamsey
Partner
Membership No: 044000

Mumbai
24 April 2017

Mumbai
24 April 2017

CONSOLIDATED BALANCE SHEET

as at March 31, 2017

₹ in Crores

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	24,476.32	23,881.82	22,220.88
Capital Work-in-Progress	2	920.85	1,468.01	2,240.72
Goodwill	2	1,085.11	1,106.24	1,053.11
Other Intangible Assets	2	342.86	321.36	207.53
Intangible Assets under development	2	0.63	1.08	4.84
		26,825.77	26,778.51	25,727.08
Financial Assets				
Investments				
(i) Investments Accounted using Equity Method	3	7.44	7.43	7.42
(ii) Other Investments	4	1,272.06	2,722.69	2,160.48
Loans	5	67.35	79.96	79.18
Other Financial Assets	6	75.16	282.54	547.02
Income Tax Assets (Net)		104.93	92.25	94.78
Deferred Tax Assets (Net)	7	9.79	10.20	9.64
Other Non-Current Assets	8	531.54	695.87	909.50
Total Non-Current Assets		28,894.04	30,669.45	29,535.10
Current Assets				
Inventories	9	2,400.64	2,454.58	2,828.93
Financial Assets				
Investments	10	5,411.01	2,365.06	2,786.15
Trade Receivables	11	1,757.09	1,928.21	1,660.76
Cash and Cash Equivalents	12	58.81	90.18	82.04
Bank Balances other than Cash and Cash Equivalents	13	2,189.98	2,176.78	281.26
Loans	5	122.77	117.81	119.27
Other Financial Assets	6	355.99	574.88	195.94
Current Tax Assets (Net)		29.25	25.56	21.05
Other Current Assets	14	992.37	786.35	853.06
Assets held for Disposal		6.70	14.45	4.24
Total Current Assets		13,324.61	10,533.86	8,832.70
TOTAL ASSETS		42,218.65	41,203.31	38,367.80
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	274.51	274.43	274.40
Other Equity		24,117.11	21,671.20	19,445.03
		24,391.62	21,945.63	19,719.43
Non Controlling Interest		9.71	15.45	18.19
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	16	6,370.84	4,896.59	5,379.83
Trade payables	22	8.13	8.31	15.70
Other Financial Liabilities	17	31.16	6.94	77.87
Provisions	18	289.51	270.03	246.62
Deferred Tax Liabilities (Net)	19	2,782.37	2,441.08	2,132.46
Other Non-Current Liabilities	20	6.11	1.04	1.09
Total Non-Current Liabilities		9,488.12	7,623.99	7,853.57
Current Liabilities				
Financial Liabilities				
Borrowings	21	1,079.18	2,475.79	2,563.93
Trade payables	22	1,857.27	1,717.25	1,700.91
Other Financial Liabilities	17	1,314.64	3,598.16	2,722.07
Other Current Liabilities	23	3,347.07	3,185.22	2,937.14
Provisions	18	168.35	168.72	162.71
Current Tax Liabilities (Net)		562.69	473.10	689.85
Total Current Liabilities		8,329.20	11,618.24	10,776.61
TOTAL EQUITY AND LIABILITIES		42,218.65	41,203.31	38,367.80

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

₹ in Crores

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
REVENUE			
Revenue from Operations	24	28,645.93	28,391.59
Other Income	25	648.12	463.80
TOTAL INCOME (I)		29,294.05	28,855.39
EXPENSES			
Cost of Raw Materials Consumed	26	3,911.82	3,982.91
Purchases of Stock-in-Trade	27	505.08	453.21
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	75.69	(18.61)
Employee Benefits Expense	29	1,522.34	1,444.97
Finance Costs	30	640.10	566.30
Depreciation and Amortisation Expense	31	1,348.41	1,377.17
Power and Fuel		4,271.98	4,579.25
Freight and Forwarding Expense	32	5,903.10	5,973.93
Excise duty		3,270.99	3,238.35
Other Expenses	33	3,991.50	3,872.96
		25,441.01	25,470.44
Less: Captive Consumption of Cement {Net of Excise Duty ₹ 17.11 Crores, (Previous Year ₹ 32.95 Crores)}		(19.01)	(36.35)
TOTAL EXPENSES (II)		25,422.00	25,434.09
Profit before Tax Expenses and Share in Profit of Associate and Joint Venture		3,872.05	3,421.30
Share in Profit of Associate and Joint Venture (net of Tax expense)		0.01	0.01
Profit before Tax Expenses		3,872.06	3,421.31
Tax Expenses:			
Current Tax		816.96	632.95
Deferred Tax		341.59	308.74
Total Tax Expense		1,158.55	941.69
Profit for the Year (III)		2,713.51	2,479.62
Profit/(Loss) attributable to Non Controlling Interest		(1.41)	1.58
Profit attributable to Owners of the Parent		2,714.92	2,478.04
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit & Loss - Actuarial Gain/(Loss) on Employee Benefits		(13.10)	(2.44)
(ii) Income Tax relating to items that will not be reclassified to profit & Loss		(0.04)	(0.04)
B (i) Items that will be reclassified to Profit & Loss - Cash flow Hedge and FCTR		43.18	31.90
Other Comprehensive Income for the Year (IV)		30.04	29.42
Other Comprehensive Income attributable to Non Controlling Interest		0.02	0.02
Other Comprehensive Income attributable to Owners of the Parent		30.02	29.40
Total Comprehensive Income for the Year (III+IV)		2,743.55	2,509.04
Total comprehensive income attributable to Non-controlling Interest		(1.39)	1.60
Total comprehensive income attributable to Owners of the Parent		2,744.94	2,507.44
Earnings Per Equity Share (Face Value ₹ 10 each)	45		
Basic (in ₹)		98.92	90.30
Diluted (in ₹)		98.88	90.25
Significant Accounting Policies	1		
The accompanying Notes form an integral part of the Consolidated Financial Statements.			

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

K. K. MAHESHWARI
Managing Director

For and on behalf of the Board of Directors

S. B. MATHUR
Director

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2017

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before tax	3,872.06	3,421.31
Adjustments for:		
Depreciation and Amortisation	1,348.41	1,377.17
Fair Valuation of Investments	(378.57)	(328.25)
Discounting of Sales Tax Deferment Loan	(17.82)	(2.24)
Fair Value movement in Derivative Instruments	15.48	12.76
Compensation Expenses under Employees Stock Options Scheme	5.45	9.46
Provision for Doubtful Advances/ debts (net)	27.30	28.89
Bad Debts Written-off	0.07	1.02
Excess Provision written back (net)	(182.02)	(36.22)
Provision for Employee Benefits	15.42	23.05
Interest and Dividend Income	(57.93)	(62.13)
Finance Costs	640.10	566.30
Profit on Sale/Retirement of Property, Plant and Equipment (net)	(0.01)	(0.17)
Profit on Sale of current investment (net)	(68.33)	(63.06)
Operating Profit before Working Capital Changes	5,219.61	4,947.89
Movements in working capital:		
Increase in Trade payables and other Liabilities	468.74	310.14
Increase in Trade receivables	155.81	(286.92)
Decrease in Inventories	53.94	374.35
Decrease/(Increase) in Financial and Other Assets	(160.91)	31.73
Cash Generated from Operations	5,737.19	5,377.19
Taxes paid	(743.74)	(851.68)
Net Cash Generated from Operating Activities (A)	4,993.46	4,525.51
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(1,386.06)	(2,149.80)
Sale of Property, Plant and Equipment	34.54	18.32
Expenditure for Cost on Assets transferred	(4.20)	-
Sale / (Purchase) of Liquid Investments (net)	68.16	65.27
Purchase of Investments	(3,376.88)	(2,698.08)
Sale of Investments	2,160.29	2,882.99
Redemption in Bank deposits (having original maturity of more than three months)	2.00	3.32
Investment in Other Bank deposits	(13.20)	(1,895.52)
Investment in Subsidiaries	-	(12.75)
Dividend Received	-	0.09
Interest Received	46.85	59.45
Net Cash used in Investing Activities (B)	(2,468.50)	(3,726.71)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital on exercise of ESOS	6.61	2.67
Equity infusion by Minority Shareholder in a subsidiary	-	0.89
Repayment of Long Term Borrowings	(3,877.64)	(2,645.57)
Proceeds from Long Term Borrowings	3,656.28	2,821.23
Proceeds / (Repayment) of Short Term Borrowings	(1,393.98)	(129.75)
Interest Paid	(614.36)	(596.20)
Dividend Paid (Including Dividend Distribution Tax)	(311.89)	(297.29)
Net Cash used in Financing Activities (C)	(2,534.98)	(844.02)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(10.03)	(45.22)
Cash and Cash Equivalents at the Beginning of the Year	90.18	82.04
Effect of exchange rate on consolidation of Foreign Subsidiaries	(21.34)	53.36
Cash and Cash Equivalents at the End of the Year	58.81	90.18

Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.
- Purchase of Property, Plant and Equipment includes movements of Capital Work-in-Progress (including Capital Advances) during the year.

Significant Accounting Policies

Note 1

The accompanying Notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

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

A . EQUITY SHARE CAPITAL

For the year ended March 31, 2017

₹ in Crores

Balance as at April 01, 2016	Changes in equity share capital during the year	Balance as at March 31, 2017
274.43	0.08	274.51

For the year ended March 31, 2016

Balance as at April 01, 2015	Changes in equity share capital during the year	Balance as at March 31, 2016
274.40	0.03	274.43

B. OTHER EQUITY

For the year ended March 31, 2017

Attributable to Owners of the Company										Attributable to NCI	Total Equity
Particulars	Reserves & Surplus					Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of a foreign operation@	Total Attributable to Owners of the Company			
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding reserve#				Retained Earnings		
Balance as at April 01, 2016	142.46	26.32	337.08	16,424.73	25.20	4,613.09	(0.33)	102.65	21,671.20	15.45	21,686.65
Profit for the year (1)	-	-	-	-	-	2,714.92	-	-	2,714.92	(1.41)	2,713.51
Remeasurement gain/(loss) on defined benefit plan (2)	-	-	-	-	-	(13.16)	-	-	(13.16)	-	(13.16)
Other Comprehensive Income/(loss) for the year (3)	-	-	-	-	-	-	66.02	(22.84)	43.18	0.02	43.19
Total Comprehensive Income/(loss) for the year (1+2+3)	-	-	-	-	-	2,701.76	66.02	(22.84)	2,744.94	(1.39)	2,743.55
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	(310.99)	-	-	(310.99)	(4.35)	(315.34)
Transfer to Retained Earnings	-	-	(253.75)	-	-	253.75	-	-	-	-	-
Transfer from Retained Earnings	-	-	157.92	2,000.00	-	(2,157.92)	-	-	-	-	-
Employees Stock Options exercised	-	16.23	-	-	(9.71)	-	-	-	6.52	-	6.52
Employees Stock Options granted	-	-	-	-	5.45	-	-	-	5.45	-	5.45
Balance as at March 31, 2017	142.46	42.55	241.25	18,424.73	20.94	5,099.69	65.69	79.80	24,117.11	9.71	24,126.82

For the year ended March 31, 2016

Attributable to Owners of the Company										Attributable to NCI	Total Equity
Particulars	Reserves & Surplus						Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of a foreign operation@	Total Attributable to Owners of the Company		
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Share option outstanding reserve#	Retained Earnings					
Balance as at April 01, 2015	142.46	22.12	293.50	14,924.73	17.30	3,974.50	(5.79)	76.20	19,445.03	18.19	19,463.22
Profit for the year (1)	-	-	-	-	-	2,478.04	-	-	2,478.04	1.58	2,479.62
Remeasurement gain/(loss) on defined benefit plan (2)	-	-	-	-	-	(2.50)	-	-	(2.50)	-	(2.50)
Other Comprehensive Income/(loss) for the year (3)	-	-	-	-	-	-	5.46	26.44	31.90	0.02	31.92
Total Comprehensive Income/(loss) for the year (1+2+3)	-	-	-	-	-	2,475.54	5.46	26.44	2,507.44	1.60	2,509.04
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	(293.36)	-	-	(293.36)	(4.34)	(297.70)
Transfer to Retained Earnings	-	-	(127.25)	-	-	-	-	-	(127.25)	-	(127.25)
Transfer from Retained Earnings	-	-	170.83	1,500.00	-	(1,543.59)	-	-	127.24	-	127.24
Employees Stock Options exercised	-	4.20	-	-	(1.55)	-	-	-	2.65	-	2.65
Employees Stock Options granted	-	-	-	-	9.45	-	-	-	9.45	-	9.45
Balance as at March 31, 2016	142.46	26.32	337.08	16,424.73	25.20	4,613.09	(0.33)	102.65	21,671.20	15.45	21,686.65

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

The Description of the nature and purpose of each reserve within equity is as follows:

- a) **Capital Reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase. Company's capital reserve is mainly on account of acquisition of Larsen & Toubro cement business and Gujarat units of Jaypee Cement Corporation Limited (JCCL).
- b) **Securities Premium Reserve:** Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued.
- d) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- e) **Shares Options Outstanding Reserve:** The Company has two share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 49 for further details of these plans.
- f) **Effective Portion of Cashflow Hedges:** The company has designated its hedging instruments obtained after April 01, 2015 as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective the amount is recognised to the Statement of Profit and Loss.

Net of Deferred Employees Compensation Expenses ₹ 15.23 Crores (March 31, 2016 ₹ 12.41 Crores, April 01, 2015 ₹ 16.96 Crores).

@ Foreign Exchange Translation Reserve has been created for Exchange variation in Opening Equity Share Capital and Reserves and Surplus of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd, PT UltraTech Mining Indonesia and PT UltraTech Investment Indonesia.

Significant Accounting Policies Note 1

The accompanying Notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai,
April 24, 2017

K. K. MAHESHWARI
Managing Director

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

For and on behalf of the Board of Directors

S. B. MATHUR
Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1(A) Company Overview and Significant Accounting Policies:

Company Overview:

UltraTech Cement Limited (the Holding Company) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Holding Company and its subsidiaries are engaged in the manufacturing and selling of Cement and Cement related products. The Holding Company, its subsidiaries, associate and joint venture together referred as "the Company" or "the Group".

Significant Accounting Policies:

(a) Statement of Compliance:

These financial statements are prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India ('SEBI'), as applicable.

The financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as on April 1, 2015 and comparative figures for the year ended March 31, 2016 are also in compliance with Ind AS. 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 61.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on April 24, 2017.

(b) Basis of Preparation and Presentation:

Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (iii) Assets held for sale – measured at the lower of its carrying amount and fair value less costs to sell; and
- (iv) Employee's Defined Benefit Plan as per actuarial valuation

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

(d) Expenditure during construction period:

Expenditure / Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentised its PPE and has separately assessed the life of major components.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Buildings	3-60 Years
2	Plant & Machinery	10-30 Years
3	Office Equipment	4 Years
4	Furniture and Fixtures	7 Years
5	Mobile Phones	3 Years
6	Company Vehicles (other than those provided to the employees)	5 Years
7	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
8	Servers and Networks	3 Years
9	Stores and Spares in the nature of PPE	10-30 Years
10	Assets individually costing less than or equal to ₹10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(f) Intangible Assets and Amortisation:

- Internally generated Intangible Assets: (Research and Development expenditure)**

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

- Intangible Assets acquired separately:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

- Class of intangible assets and their estimated useful lives are as under:**

No	Nature	Useful life
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Software	3 Years

(g) Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as “Asset held for disposal” the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for disposal”. Once classified as held for disposal, intangible assets and property, plant and equipment are no longer amortised or depreciated.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(h) Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Inventories:

Inventories are valued as follows:

- **Raw materials, fuel, stores & spare parts and packing materials:**
Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.
- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**
Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.
- **Waste / Scrap:**
Waste / Scrap inventory is valued at NRV.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Employee Share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(k) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(l) Government Grants and Subsidies:

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Government grants that are receivable towards capital investments under State Investment Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognized in the Statement of Profit and Loss.

(m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Mines Restoration Provision:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

(o) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

(p) Lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Operating Lease: Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Lease: Assets held under finance lease are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

(q) Employee benefits:

Defined benefit plan:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan:

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. Contribution to recognised provident fund are substantially defined contribution plan. The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency as at the year end.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(r) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(s) Earnings Per Share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(t) Foreign Currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss account in the period 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 assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations.

(u) Foreign operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognized in OCI and accumulated equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

(v) Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect 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 on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset 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 party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(w) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(x) Financial liabilities and equity instruments:

- **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(y) 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, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 excluding derivatives designated as cash flow hedge.

(z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(aa) Segment Reporting: Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(bb) Goodwill:

Goodwill arising out of Consolidation of financial statements of subsidiaries and jointly controlled entities are tested for impairment at each reporting date.

Note 1(B) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Critical judgements in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. Accordingly, under the previous GAAP Madanpur (North) Coal Company Limited was considered as Joint Venture (JV) in the books of the company and accounted under the proportionate consolidation method.

As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JVC and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(i) **Useful Lives of Property, Plant & Equipment:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) **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 inputs to these models are taken from observable markets where possible, but where this is 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.

(iii) **Defined benefit plans:**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) **Mines Restoration Obligation:**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs.

(v) **Share-based payments:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 49.

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

Particulars	Gross Block					Depreciation and Amortisation					Net Block	
	As at April 1, 2016	Other Adjustments*	Additions	Deductions/ Adjustments	As at March 31 2017	As at April 1, 2016	Other Adjustments*	For the year	Deductions/ Adjustments	As at March 31 2017	As at March 31 2017	
(A) Tangible Assets @												
Land:												
Freehold Land	3,320.34	(0.27)	110.25	0.15	3,430.17	-	-	-	-	-	-	3,430.17
Leasehold Land	306.74	(0.05)	48.90	-	355.59	12.08	(0.01)	9.48	-	21.55	334.04	
Buildings	2,468.67	(2.06)	278.79	(20.61)	2,766.01	142.62	(0.29)	119.29	(7.82)	269.44	2,496.57	
Railway Sidings	398.63	-	50.80	5.29	444.14	26.43	-	32.25	0.04	58.64	385.50	
Plant and Equipment:												
Own	18,330.94	(31.72)	1,368.22	47.16	19,620.28	1,009.02	(4.05)	1,053.82	13.03	2,045.76	17,574.52	
Given on Lease	120.60	-	23.93	1.10	143.43	20.52	-	8.31	-	28.83	114.60	
Office Equipment	98.60	(0.05)	16.57	0.56	114.56	29.94	(0.03)	29.19	0.31	58.79	55.77	
Furniture and Fixtures	57.47	(0.17)	13.77	0.04	71.03	14.99	(0.11)	14.83	(0.13)	29.84	41.19	
Vehicles	45.81	(0.30)	23.01	5.73	62.79	10.39	(0.10)	10.92	2.38	18.83	43.96	
Total Tangible Assets	25,147.80	(34.62)	1,934.24	39.42	27,008.00	1,265.99	(4.59)	1,278.09	7.81	2,531.68	24,476.32	
(B) Capital Work-in-Progress											920.85	
Total Tangible Assets											25,397.17	
(C) Other Intangible Assets												
Software	49.19	(0.23)	9.54	-	58.50	18.68	(0.05)	15.53	-	34.16	24.34	
Mining Rights	126.81	-	46.83	9.47	164.17	6.09	-	8.38	4.88	9.59	154.58	
Jetty Rights	181.18	-	-	(1.67)	182.85	11.05	-	7.86	-	18.91	163.94	
Total Other Intangible Assets	357.18	(0.23)	56.37	7.80	405.52	35.82	(0.05)	31.77	4.88	62.66	342.86	
(D) Intangible Assets under Development											0.63	
Total Other Intangible Assets											343.49	
Total Assets	25,504.98	(34.85)	1,990.61	47.22	27,413.52	1,301.81	(4.64)	1,309.86	12.69	2,594.34	25,740.66	
(A+B+C+D)												

* On account of foreign currency translation

@ Net block of Tangible Assets, amounting to ₹ 9,576.30 Crores are pledged as security against the Secured Borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 2 : PROPERTY PLANT AND EQUIPMENT (Contd.)

₹ in Crores

Particulars	Gross Block					Depreciation and Amortisation					Net Block
	Deemed Cost As at April 1, 2015 Refer Note B5 Below	Other Adjustments*	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Other Adjustments*	For the year	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016
(A) Tangible Assets											
Land:											
Freehold Land	3,049.07	0.49	272.51	1.73	3,320.34	-	-	-	-	-	3,320.34
Leasehold Land	258.24	(0.02)	91.38	42.86	306.74	-	-	12.24	0.16	12.08	294.66
Buildings	2,035.57	4.08	433.25	4.23	2,468.67	-	(0.04)	143.81	1.15	142.62	2,326.05
Railway Sidings	278.26	-	120.38	-	398.64	-	-	26.43	-	26.43	372.21
Plant and Equipment:											
Own	16,457.82	68.44	1,953.76	149.08	18,330.94	-	(0.54)	1,038.05	28.49	1,009.02	17,321.92
Given on Lease	2.77	-	25.26	(92.57)	120.60	-	-	7.52	(13.00)	20.52	100.08
Office Equipment	64.48	(0.02)	34.55	0.41	98.60	-	(0.01)	30.04	0.09	29.94	68.66
Furniture and Fixtures	41.66	0.31	16.42	0.92	57.47	-	(0.01)	15.01	0.01	14.99	42.48
Vehicles	33.00	0.11	15.50	2.80	45.81	-	-	10.89	0.50	10.39	35.42
Total Tangible Assets	22,220.88	73.39	2,963.01	109.46	25,147.82	-	(0.60)	1,283.99	17.40	1,265.99	23,881.82
(B) Capital Work-in-Progress											1,468.01
Total Tangible Assets											25,349.83
(C) Other Intangible Assets											
Software	29.62	0.61	19.26	0.30	49.19	-	-	19.00	0.32	18.68	30.51
Mining Rights	50.13	-	33.87	(42.81)	126.81	-	-	5.96	(0.13)	6.09	120.72
Jetty Rights	127.78	-	53.40	-	181.18	-	-	11.05	-	11.05	170.13
Total Other Intangible Assets	207.53	0.61	106.53	(42.51)	357.18	-	-	36.01	0.19	35.82	321.36
(D) Intangible Assets under Development											1.08
Total Other Intangible Assets											322.44
Total Assets (A+B+C+D)	22,428.41	74.00	3,069.54	66.95	25,505.00	-	(0.60)	1,320.00	17.59	1,301.81	25,672.27

* On account of foreign currency translation

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(A) Depreciation and Amortisation for the year	1,309.86	1,320.00
Add: Obsolescence	39.01	58.99
Add: Impairment of Goodwill on Consolidation	1.64	1.86
Less: Depreciation transferred to Pre-operative Expenses	(2.10)	(3.68)
Depreciation as per Statement of Profit and Loss	1,348.41	1,377.17

- (B) 1. Fixed Assets include assets costing ₹ 364.29 Crores (Previous Year ₹ 325.12 Crores) not owned by the Company.
2. Buildings include ₹ 12.13 Crores (Previous year ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

3. Capital Work-in-Progress includes:

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Pre-operative expenses pending allocation:		
Raw Materials Consumed	1.17	2.21
Power and Fuel Consumed	0.29	2.99
Salary, Wages, Bonus, Ex-gratia and Provisions	15.11	36.77
Insurance	0.11	0.55
Exchange Loss / (Gain)	-	0.85
Depreciation	2.11	3.68
Finance Costs	8.97	18.52
Miscellaneous expenses	56.69	40.42
Total Pre-operative expenses	84.45	105.99
Less: Sale of Products / Other Income	(1.87)	(3.60)
Less: Trial Run production transferred to Inventory	(1.79)	(1.27)
Add: Brought forward from Previous Year	170.97	200.25
Less: Capitalised / Charged during the Year	(150.09)	(130.41)
Balance included in Capital Work-in-Progress	101.66	170.97

4. Movement in Goodwill:

Particulars	As at March 31, 2017	As at March 31, 2016
Opening Balance	1,106.24	1,053.11
Less: Impairment of Goodwill	(1.64)	(1.86)
Add: Exchange difference recognised in foreign currency translation reserve	(19.49)	54.99
Closing Balance as per Balance Sheet	1,085.11	1,106.24

5. Details of Gross Block and Accumulated Depreciation as per IGAAP as at April 01, 2015 is as follows:

Particulars	Gross Block	Accumulated Depreciation	Net Block considered as Deemed Cost	IndAS adjustments	Deemed Cost as per PPE Schedule
(A) Tangible Assets					
Land:					
Freehold Land	3,053.59	-	3,053.59	(4.52)	3,049.07
Leasehold Land	257.21	55.66	201.55	56.69	258.24
Buildings	2,792.24	756.70	2,035.54	0.03	2,035.57
Railway Sidings	536.05	257.79	278.26	-	278.26
Plant and Equipment:					
Own	26,271.86	9,900.76	16,371.10	86.72	16,457.82
Given on Lease	55.43	52.65	2.78	(0.01)	2.77
Office Equipment	236.23	172.03	64.20	0.28	64.48
Furniture and Fixtures	162.66	120.52	42.14	(0.48)	41.66
Vehicles	77.52	44.47	33.05	(0.05)	33.00
Total Tangible Assets	33,442.79	11,360.58	22,082.21	138.67	22,220.88
(B) Other Intangible Assets					
Software	119.94	90.32	29.62	-	29.62
Mining Rights	72.08	21.95	50.13	-	50.13
Jetty Rights	221.66	93.88	127.78	-	127.78
Total Other Intangible Assets	413.68	206.15	207.53	-	207.53
Total Assets (A+B)	33,856.47	11,566.73	22,289.74	138.67	22,428.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 3 : INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015
	Nos.	Amount	Nos.	Amount	Amount
Unquoted:					
Equity Instruments:					
Associates:					
Face value of ₹ 10 each fully paid:					
Madanpur (North) Coal Company Private Limited	1,152,560	1.15	1,152,560	1.15	1.15
Add: Share in Profit of Associate		0.02		0.01	-
Less: Provision for impairment in value of Investment		0.22		0.22	0.22
		0.95		0.94	0.93
Joint Venture:					
Face value of ₹ 10 each fully paid:					
Bhaskarpara Coal Company Limited	8,141,050	8.14	8,141,050	8.14	8.14
Add: Share in Profit of Joint Venture		-		-	-
Less: Provision for impairment in value of Investment		1.65		1.65	1.65
		6.49		6.49	6.49
Aggregate Value of:					
Unquoted Investments		7.44		7.43	7.42
Aggregate amount of impairment in value of investment		1.87		1.87	1.87

NOTE 4 : OTHER INVESTMENTS

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015
	Nos.	Amount	Nos.	Amount	Amount
Unquoted					
Investments measured at Fair value through Profit and Loss:					
Equity Instruments:					
Face value of ₹ 10 each fully paid:					
Aditya Birla Ports Ltd	50,000	0.05	50,000	0.05	0.05
Raj Mahal Coal Mining Limited	1,000,000	1.00	1,000,000	1.00	1.00
Green Infra Wind Power	144,000	0.14	-	-	-
NU Power Wind Farm	20,000	0.02	-	-	-
		1.21		1.05	1.05
Preference Shares:					
4.5% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid					
Aditya Birla Health Services Limited	2,000,000	14.10	2,000,000	12.99	12.20
Government or trust securities: ₹ NIL (March 31, 2016 ₹ NIL; April 01, 2015 ₹ 32,000)	-	-	-	-	-
Debt schemes of Various Mutual Funds		650.85		2,300.31	2,065.66
		666.16		2,314.35	2,078.91
Quoted - Other Investments:					
Investments measured at Fair value through Profit and Loss:					
Tax Free Bonds		500.25		308.34	81.57
Taxable Corporate Bonds		105.65		100.00	-
		1,272.06		2,722.69	2,160.48
Aggregate Value of:					
Quoted Investments		605.90		408.34	81.57
Unquoted Investments		666.16		2,314.35	2,078.91
		1,272.06		2,722.69	2,160.48
Aggregate Market Value of Quoted Investments		605.90		408.34	81.57

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 5 : LOANS

₹ in Crores

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured, Considered good:						
Loans against House Property (Secured by way of title deeds)	0.03	0.03	0.04	0.01	0.01	0.01
Unsecured, Considered good:						
Security Deposits	57.51	71.01	69.85	112.08	107.06	107.70
Loans to Related Parties (Refer Note 43)	-	-	-	1.67	1.66	1.73
Loans to Employees	9.81	8.92	9.29	9.01	9.08	9.83
	67.35	79.96	79.18	122.77	117.81	119.27

NOTE 6 : OTHER FINANCIAL ASSETS

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Derivative Assets	58.50	263.88	525.04	157.32	360.55	14.93
Advances to Employees	-	-	-	3.93	4.40	4.08
Interest Accrued on Deposits and Investments	-	-	-	19.29	8.21	5.62
Fixed Deposits with Bank with maturity greater than twelve months*	16.66	18.66	21.98	-	-	-
Government grants receivable	-	-	-	170.05	193.87	158.21
Others (Includes Insurance Claim and Other Receivables)	-	-	-	5.40	7.85	13.10
	75.16	282.54	547.02	355.99	574.88	195.94

* ₹ 15.61 Crores lodged as Security with Government Departments (March 31, 2016 ₹ 14.46 Crores and April 01, 2015 ₹ 13.37 Crores).

NOTE 7 : DEFERRED TAX ASSETS (Net)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets:			
Provision allowed under tax on payment basis	0.09	0.10	0.09
Unabsorbed Losses	29.78	30.98	29.31
	29.87	31.08	29.40
Deferred Tax Liabilities:			
Accumulated Depreciation	(20.08)	(20.88)	(19.76)
	(20.08)	(20.88)	(19.76)
Net Deferred Tax Asset	9.79	10.20	9.64

NOTE 8 : OTHER NON - CURRENT ASSETS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Advances	310.66	458.34	645.81
Less: Provision for Doubtful Advances	(12.06)	(10.44)	-
	298.60	447.90	645.81
Security Deposits	-	5.00	14.60
Balance with Government Authorities	201.81	195.66	217.50
Leasehold Land Prepayments	31.13	47.31	31.59
	531.54	695.87	909.50

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 9 : INVENTORIES: (Valued at lower of Cost and net realisable value, unless otherwise stated)

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials {includes in transit ₹ 27.61 Crores, (March 31, 2016: ₹ 60.41 Crores, April 1, 2015 ₹ 32.94 Crores)}	281.12	335.14	318.50
Work-in-progress	429.86	508.89	514.58
Finished Goods {includes in transit ₹ 17.39 Crores, (March 31, 2016: ₹ 27.79 Crores, April 1, 2015 ₹ 14.20 Crores)}	364.31	366.10	335.59
Stock-in-trade	-	0.11	-
Stores & Spares {includes in transit ₹ 7.51 Crores, (March 31, 2016: ₹ 8.23 Crores, April 1, 2015 ₹ 14.20 Crores)}	820.48	882.09	912.58
Fuel {includes in transit ₹ 65.06 Crores, (March 31, 2016: ₹ 34.05 Crores, April 1, 2015 ₹ 254.70 Crores)}	440.07	304.92	693.28
Packing Materials {includes in transit ₹ 1.35 Crores, (March 31, 2016: ₹ NIL Crores, April 1, 2015 ₹ NIL Crores)}	56.90	42.35	44.38
Scrap (valued at net realisable value)	7.90	14.98	10.02
	2,400.64	2,454.58	2,828.93

The Company follows a suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for the year ₹ 1.80 Crores (March 31, 2016 ₹ 8.00 Crores).

NOTE 10 : CURRENT INVESTMENTS - OTHERS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments measured at Fair value through Profit and Loss:			
Quoted:			
Taxable Corporate Bonds	109.16	-	-
Investment in Government Securities	5.06	15.44	33.25
Unquoted:			
Units of Debt Schemes of Various Mutual Funds	5,296.79	2,349.62	2,752.90
	5,411.01	2,365.06	2,786.15
Aggregate Book Value of:			
Quoted Investments	114.22	15.44	33.25
Unquoted Investments	5,296.79	2,349.62	2,752.90
	5,411.01	2,365.06	2,786.15
Aggregate Market Value of Quoted Investments	114.22	15.44	33.25

NOTE 11 : TRADE RECEIVABLES

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured, Considered good	520.82	556.75	488.55
Unsecured, Considered good	1,236.27	1,371.46	1,172.21
Doubtful	35.85	20.61	2.16
	1,792.94	1,948.82	1,662.92
Less: Provision for doubtful receivables	(35.85)	(20.61)	(2.16)
	1,757.09	1,928.21	1,660.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 12 : CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance with banks (Current Account)	29.48	38.67	43.75
Cheques on hand	28.19	50.77	37.29
Cash on hand	1.14	0.74	1.00
	58.81	90.18	82.04

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance with banks @	2,000.00	2,000.00	-
Fixed Deposits with Banks* (Maturity more than three months and upto twelve months)	180.92	170.22	275.48
Earmarked Balance with Bank for Unpaid Dividends	9.06	6.56	5.78
	2,189.98	2,176.78	281.26

@ Earmarked for specific purpose.

* Lodged as security with Government Departments ₹ 0.62 Crores (March 31, 2016 ₹ 0.62 Crores; April 01, 2015 ₹ 134.30 Crores). Earmarked for specific purpose ₹ 157.18 Crores (March 31, 2016 ₹ 152.25 Crores; April 01, 2015 ₹ NIL).

NOTE 14 : OTHER CURRENT ASSETS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security Deposits	6.94	8.45	61.14
Advances to related parties (Refer Note 43)	0.32	-	0.18
Balance with Government Authorities	407.12	406.04	384.26
Advances to suppliers	468.30	299.64	331.67
Prepaid Expenses	34.43	37.08	28.78
Other Receivables	75.26	35.14	47.03
	992.37	786.35	853.06

NOTE 15 : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised						
Equity Shares of ₹ 10 each	280,000,000	280.00	280,000,000	280.00	280,000,000.00	280.00
Issued, Subscribed and Fully Paid-up						
Equity Shares of ₹ 10 each fully paid-up	274,507,906	274.51	274,431,377	274.43	274,404,627	274.40
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year						
Outstanding at the beginning of the year	274,431,377	274.43	274,404,627	274.40	274,241,387	274.24
Add: Shares issued under Employees Stock Options Scheme (ESOS)	76,529	0.08	26,750	0.03	21,597	0.02
Add: Shares issued to the shareholders of Jaypee Cement Corporation Limited (JCCL) pursuant to the Scheme of Arrangement	-	-	-	-	141,643	0.14
Outstanding at the end of the year	274,507,906	274.51	274,431,377	274.43	274,404,627	274.40
(b) Shares held by Holding Company						
Grasim Industries Limited	165,335,150	165.34	165,335,150	165.34	165,335,150	165.34
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Grasim Industries Limited	165,335,150	60.23%	165,335,150	60.25%	165,335,150	60.25%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 15 : EQUITY SHARE CAPITAL (Contd.)

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	251,577	0.25	315,961	0.32	324,869	0.32
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date						
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	141,643	0.14	141,643	0.14	141,643	0.14
(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. 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 equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.						

NOTE 16 : NON-CURRENT BORROWINGS

Particulars	Non-current			Current Maturities of Long-Term debts*		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured:						
Non-Convertible Debentures - Note (a1)	1,925.00	650.00	1,265.00	250.00	1,015.00	9.00
Term Loans from Banks:						
In Foreign Currency - Note (b1)	259.40	1,496.20	1,191.16	162.12	918.87	194.21
In Local Currency - Note (c)	300.00	400.00	375.00	100.00	275.00	75.00
	559.40	1,896.20	1,566.16	262.12	1,193.87	269.21
Sales Tax Deferment Loan - Note (d1)	-	20.59	25.83	-	9.70	5.10
	2,484.40	2,566.79	2,856.99	512.12	2,218.57	283.31
Unsecured:						
Non-Convertible Debentures - Note (a2)	650.00	-	-	-	-	-
Term Loans from Banks:						
In Foreign Currency - Note (b2)	2,958.18	2,085.98	2,248.96	486.38	993.83	1,917.39
Sales Tax Deferment Loan - Note (d2)	278.26	243.82	273.88	25.97	31.21	42.24
	3,886.44	2,329.80	2,522.84	512.35	1,025.04	1,959.63
Total	6,370.84	4,896.59	5,379.83	1,024.47	3,243.61	2,242.94

* Amount disclosed under the head 'Other Financial Liabilities' (Note 17)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a1) Non - Convertible Debentures (NCDs)			
Secured:			
7.53% NCDs (Redeemable at par on August 21, 2026)	500.00	-	-
7.15% NCDs (Redeemable at par on October 18, 2021)	300.00	-	-
7.57% NCDs (Redeemable at par on August 06, 2021)	250.00	-	-
7.57% NCDs (Redeemable at par on August 13, 2019)	300.00	-	-
7.57% NCDs (Redeemable at par on August 08, 2019)	175.00	-	-
7.85% NCDs (Redeemable at par on December 18, 2018)	200.00	200.00	-
7.84% NCDs (Redeemable at par on April 09, 2018)	200.00	200.00	-
9.15% NCDs (Redeemable at par on August 28, 2017)	250.00	250.00	250.00
8.05% NCDs (Redeemable at par on January 27, 2017)	-	250.00	250.00
8.80% NCDs (Redeemable at par on September 30, 2016)	-	250.00	250.00
8.90% NCDs (Redeemable at par on August 8, 2016)	-	500.00	500.00
8.01% NCDs (Redeemable at par on July 14, 2016)	-	15.00	15.00
8.80% NCDs (Redeemable at par on December 30, 2015)	-	-	9.00
	2,175.00	1,665.00	1,274.00
Less: Current Portion of NCDs shown under Other Current Liabilities	(250.00)	(1,015.00)	(9.00)
Total	1,925.00	650.00	1,265.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 16 : NON-CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a2) Non - Convertible Debentures (NCDs)			
Unsecured:			
6.93% NCDs (Redeemable at par on November 25, 2021)	250.00	-	-
6.99% NCDs (Redeemable at par on November 24, 2021)	400.00	-	-
	650.00	-	-

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(b1) Term Loans from Banks in Foreign Currency				
Secured:				
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: 4.00 Crores; March 31, 2016: 4.00 Crores; April 01, 2015: 4.00 Crores)	February 2019	259.40	265.02	250.00
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar: 2.5 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	3 equal annual installment beginning November 2015	162.12	-	-
J P Morgan Chase Bank N.A., Singapore* (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: Nil)	3 equal annual installment beginning November 2015	-	331.28	-
DBS Bank Ltd., Singapore (Japanese Yen: Nil ; March 31, 2016: 240.00 Crores; April 01, 2015: 240.00 Crores)	March 2017	-	141.56	125.10
BNP Paribas, Singapore (Japanese Yen: Nil ; March 31, 2016: 130.00 Crores; April 01, 2015: 130.00 Crores)	March 2017	-	76.68	67.76
Credit Agricole Corporate & Investment Bank, Singapore (Japanese Yen: Nil ; March 31, 2016: 176.64 Crores; April 01, 2015: 176.64 Crores)	December 2016	-	104.19	92.07
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: Nil; March 31, 2016: 0.78 Crores; April 01, 2015: 0.78 Crores)	October 2016	-	51.51	48.59
International Finance Corporation, Washington (US Dollar: Nil; March 31, 2016: 4.64 Crores; April 01, 2015: 5.00 Crores)	In 14 semi annual installments beginning December 2015	-	307.61	312.50
HSBC Bank (Mauritius) Ltd., Mauritius (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	May 2016	-	331.27	312.50
Cooperative Central Raiffeisen- Boerenleen Bank B.A. (Trading as Rabo International, Singapore, Japanese Yen - Nil ; March 31, 2016: Nil; April 01, 2015: 90.00 Crores)	In 3 equal annual installments beginning March 2014	-	-	46.90
J P Morgan Chase Bank N.A., Singapore (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 2.00 Crores)	December 2015	-	-	125.00
Oman Arab Bank (OMR : NIL; March 31, 2016: 0.06 Crores; April 01, 2015: 0.03 Crores)	In installments from January 2017 to March 2021	-	11.10	4.95
Standard Chartered Bank (US Dollars Nil; March 31, 2016: 12.00 Crores; April 01, 2015: Nil)	In installments from July 2017 to July 2020	-	794.84	-
		421.52	2,415.06	1,385.37
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(162.12)	(918.87)	(194.21)
Total		259.40	1,496.20	1,191.16

The foreign currency loans are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders/ trustees.

* Loan has been re-financed. In the previous year Loan from Sumitomo Mitsui Banking Corporation, Singapore was under Unsecured Loans.

** Loan was transferred from JP Morgan Chase Bank N.A., Singapore to Sumitomo Mitsui Banking Corporation, Singapore in FY 17.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 16 : NON CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(b2) Term Loans from Banks in Foreign Currency				
Unsecured:				
Export Development Canada (US Dollar: 4.64 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	June 2021	301.09	-	-
Export Development Canada (US Dollar: 5.00 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	May 2021	324.25	-	-
Mizuho Bank,Ltd Singapore * (US Dollar: 5.00 Crores; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	December 2017	324.25	331.28	312.50
Bank of America NA, Taiwan (US Dollar: 5.00 Crores; March 31, 2016: 7.50 Crores; April 01, 2015: 7.50 Crores)	3 equal annual installments beginning October 2016	324.25	496.91	468.75
Mizuho Bank,Ltd Singapore * (US Dollar: Nil; March 31, 2016: 7.50 Crores; April 01, 2015: 7.50 Crores)	October 2016	-	496.91	468.75
Mizuho Bank,Ltd Singapore * (US Dollar: Nil; March 31, 2016: 5.00 Crores; April 01, 2015: 5.00 Crores)	May 2016	-	331.27	312.50
Mizuho Bank,Ltd Singapore * (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 170.00 Crores)	March 2016	-	-	88.61
Mizuho Bank,Ltd Singapore * (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 180.00 Crores)	March 2016	-	-	93.83
Sumitomo Mitsui Banking Corporation and Bank of Nova Scotia, Singapore (Japanese Yen: Nil; March 31, 2016: Nil; April 01, 2015: 400.00 Crores)	March 2016	-	-	208.50
Sumitomo Mitsui Banking Corporation, Singapore** (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 7.50 Crores)	3 equal annual installment beginning November 2015	-	-	468.75
Standard Chartered Bank (US Dollar: 21.50 Crores; March 31, 2016: 21.50 Crores; April 01, 2015: Nil)	July 2020	1,392.92	1,423.44	-
HSBC and SMBC (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 12.0 Crores)	July 2015	-	-	747.15
HSBC and SMBC (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 10.0 Crores)	July 2015	-	-	623.05
Bank of America (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 2.0 Crores)	January 2018	-	-	124.63
Sumitomo Mitsui Banking Corporation (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 1.5 Crores)	July 2019	-	-	93.48
Sumitomo Mitsui Banking Corporation (US Dollar: Nil; March 31, 2016: Nil; April 01, 2015: 2.5 Crores)	October 2019	-	-	155.85
Export Development Canada (US Dollars:12 Crores; March 31, 2016: Nil; April 01, 2015: Nil)	3 equal annual installment beginning June 2020	777.80	-	-
		3,444.56	3,079.81	4,166.36
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		(486.38)	(993.83)	(1,917.39)
Total		2,958.18	2,085.98	2,248.96

* Mizuho Bank Ltd. was formerly known as Mizuho Corporate Bank Ltd.

** Loan has been re-financed in March 16 and the same is disclosed in Secured Loan from JP Morgan Chase Bank N.A., Singapore.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 16 : NON-CURRENT BORROWINGS (Contd.)

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(c) Term Loans from Banks in Local Currency:				
Secured :				
State Bank of India	In 4 installments beginning: May 2022 (25%), November 2022 (25%), May 2023 (25%) and November 2023 (25%)	300.00	300.00	-
HDFC Bank Ltd.	In 3 annual installments beginning: December 2015 (30%), December 2016 (30%) and December 2017 (40%)	100.00	175.00	250.00
Axis Bank Ltd.	January 2017	-	200.00	200.00
		400.00	675.00	450.00
Less: Current Portion of Term Loans shown under Other Current Liabilities		(100.00)	(275.00)	(75.00)
Total		300.00	400.00	375.00

Rupee Term loans from banks are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Company's lenders / trustees.

(d1) Sales Tax Deferment Loan:				
Secured:				
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2015 to February 2021	-	30.29	30.93
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		-	(9.70)	(5.10)
Total		-	20.59	25.83

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

(d2) Sales Tax Deferment Loan:				
Unsecured:				
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	56.12	-	-
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	243.98	260.00	275.99
Commercial Tax Department, Chhattisgarh	Varied Annual payments from April 2012 to June 2018	4.02	14.92	40.02
Commercial Tax Department, Chhattisgarh	Payable in FY18	0.11	0.11	0.11
		304.23	275.03	316.12
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(25.97)	(31.21)	(42.24)
Total		278.26	243.82	273.88

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 17 : OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of long-term debts	-	-	-	1,024.47	3,243.61	2,242.94
Interest Accrued but not due on Borrowings	-	-	-	144.04	117.22	134.97
Derivative Liability	31.15	-	77.62	-	29.34	87.89
Liability for Capital Goods	0.01	6.94	0.25	137.00	201.42	250.48
Investor Education and Protection fund, will be credited with following amounts (as and when due)	-	-	-	-	-	-
Unpaid Dividends	-	-	-	9.08	6.57	5.79
Due to related party	-	-	-	0.05	-	-
	31.16	6.94	77.87	1,314.64	3,598.16	2,722.07

NOTE 18 : PROVISIONS

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
For Employee Benefits	197.75	186.16	169.12	34.38	30.55	24.54
Others:						
For Mines Restoration Expenditure	91.76	83.87	77.50	-	-	-
For Cost of Assets transferred	-	-	-	133.97	138.17	138.17
	289.51	270.03	246.62	168.35	168.72	162.71

Note 18.1 - Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Mines Restoration Expenditure (to be settled at mines closure):		
Opening Balance	83.87	77.50
Add: Unwinding of Interest	7.89	6.37
Closing Balance	91.76	83.87

Particulars	As at March 31, 2017	As at March 31, 2016
(b) Provision for Cost of Transfer of Assets (to be settled on transfer of assets title):		
Opening Balance	138.17	138.17
Less: Utilisation during the year	(4.20)	-
Closing Balance	133.97	138.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 19 : DEFERRED TAX LIABILITIES (NET)

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets:			
MAT Credit Entitlement	(838.12)	(888.28)	(711.42)
Provision allowed under tax on payment basis	(159.01)	(157.73)	(130.40)
Others	(103.51)	(96.47)	(83.50)
Unabsorbed depreciation / losses	(56.45)	(81.41)	(153.43)
	(1,157.09)	(1,223.89)	(1,078.75)
Deferred Tax Liabilities:			
Tangible and Intangible Assets	3,785.39	3,548.24	3,149.33
Fair valuation of Investments	144.07	102.45	60.31
Others	10.00	14.29	1.56
	3,939.46	3,664.98	3,211.20
Net Deferred Tax Liability	2,782.37	2,441.08	2,132.46

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised.

NOTE 20 : OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Income on Government Grants	4.67	-	-
Others	1.44	1.04	1.09
Total	6.11	1.04	1.09

NOTE 21 : CURRENT BORROWINGS

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured:			
Loans repayable on demand:			
From Banks - Cash Credits / Working Capital Borrowings (Secured by Hypothecation of Stocks and Book Debts of the Company)	61.37	381.14	725.06
Unsecured:			
Loans repayable on demand:			
From Banks - Cash Credits / Working Capital Borrowings	36.80	-	-
From Banks (includes commercial paper)	981.01	607.35	1,338.87
From Others (commercial paper)	-	1,487.30	-
8.70% NCD (Redeemed at par on November 10, 2015)	-	-	500.00
	1,017.81	2,094.65	1,838.87
	1,079.18	2,475.79	2,563.93

NOTE 22 : TRADE PAYABLES

Particulars	Non-current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables (other than Micro and Small Enterprises)	-	-	-	1,849.44	1,581.35	1,551.69
Due to Micro and Small enterprises (To the extent identified with available information)	-	-	-	2.87	1.15	1.04
Due to Related Party (Refer Note 43)	-	-	-	-	0.03	-
Due to Others	8.13	8.31	15.70	4.96	134.72	148.18
	8.13	8.31	15.70	1,857.27	1,717.25	1,700.91

Note 22.1 - There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 23 : OTHER CURRENT LIABILITIES

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security and other deposits	971.92	867.65	808.06
Advance from customers and others	196.48	165.56	173.59
Deferred Revenue	0.17	-	-
Others (including Provision for Expenses, Statutory liabilities)	2,178.50	2,152.01	1,955.49
	3,347.07	3,185.22	2,937.14

NOTE 24 : REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
SALE OF PRODUCTS AND SERVICES (Gross)		
Sale of Manufactured Products	27,839.69	27,549.35
Sale of Traded Products	477.28	534.33
Sale of Services	45.64	34.52
	28,362.61	28,118.20
OTHER OPERATING REVENUES		
Scrap Sales	53.71	45.99
Lease Rent	0.32	0.51
Insurance Claim	14.39	31.04
Provision no longer required	6.99	4.99
Unclaimed Liabilities written back	37.26	31.23
Government Grants (Refer Note 55)	141.19	138.10
Miscellaneous Income / Receipts	29.46	21.53
	283.32	273.39
	28,645.93	28,391.59

NOTE 25 : OTHER INCOME

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest Income on		
Government and Other Securities	22.88	11.44
Bank and Other Accounts	35.05	50.60
	57.93	62.04
Dividend Income on		
Current Investments - Mutual Fund	-	0.09
Exchange Gain (net)	0.06	3.43
Reversal of Provision related to earlier years	137.77	-
Profit on Sale of Fixed Assets (net)	0.01	0.17
Gain on Fair valuation of Investments through Profit or loss	378.57	328.25
Profit on Sale of Current and Non-Current Investments (net)	68.33	63.06
Refund received from Electoral Trust	-	0.27
Others	5.45	6.49
	648.12	463.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 26 : COST OF RAW MATERIALS CONSUMED

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Stock	335.14	318.50
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.55	3.71
Purchases	3,859.12	3,996.16
	4,194.81	4,318.37
Less: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	1.87	0.32
Less: Closing Stock	281.12	335.14
	3,911.82	3,982.91

NOTE 27 : PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Grey Cement	90.30	99.94
Others (Branded Channel)	414.78	353.27
	505.08	453.21

NOTE 28 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Closing Inventories		
Work-in-progress	429.86	508.89
Finished Goods	360.36	356.32
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	1.59	0.40
	791.81	865.61
Opening Inventories		
Work-in-progress	508.89	493.13
Finished Goods	356.32	350.29
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.50	2.31
	865.71	845.73
Increase in Inventories	73.90	(19.88)
Add: Stock Transfer from Pre-Operative Account	1.79	1.27
	75.69	(18.61)

NOTE 29 : EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries, Wages and Bonus	1,354.24	1,269.92
Contribution to Provident and Other Funds	86.43	80.81
Expenses on Employees Stock Options Scheme	5.45	9.46
Staff Welfare Expenses	76.21	84.78
	1,522.34	1,444.97

NOTE 30 : FINANCE COSTS

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest Expense:		
On Borrowings	525.90	509.79
Others (including interest on deposits from dealers and contractors)	106.97	72.26
	632.87	582.05
Other Borrowing Cost (Finance Charges)	16.20	2.77
Less: Finance Costs Capitalised	(8.97)	(18.52)
	640.10	566.30

All borrowing costs are capitalised using rates based on specific borrowings with the interest rates ranging between 5.84% to 9.18 % per annum.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE 31 : DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crores

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation	1,277.63	1,282.17
Amortisation	31.77	36.01
Obsolescence	39.01	58.99
	1,348.41	1,377.17

NOTE 32 : FREIGHT AND FORWARDING EXPENSE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
On Finished Products	4,972.82	5,151.33
On Clinker Transfer	930.28	822.60
	5,903.10	5,973.93

NOTE 33 : OTHER EXPENSES

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Consumption of Stores, Spare Parts and Components	646.76	674.85
Consumption of Packing Materials	791.83	749.97
Repairs to Plant and Machinery, Building and Others	571.70	545.41
Insurance	58.53	58.92
Rent (including Lease Rent)	148.58	148.30
Rates and Taxes	156.88	145.78
Directors' Fees	0.43	0.37
Directors' Commission	25.00	21.15
Contribution for Political Party (General Electoral Trust)	13.00	-
Advertisement	184.33	192.03
Discount, Sales Promotion and Other Selling Expenses	694.06	681.51
Exchange Loss (net)	1.42	0.08
Fair Value movement in Derivative Instruments	15.50	12.76
Miscellaneous Expenses	683.48	641.83
	3,991.50	3,872.96

Note 34 - Principles of Consolidation:

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013. As part of its transition to Ind AS, the Group has elected to avail the exemption under Ind AS 103 for business combinations prior to the transition date i.e. April 1, 2015 (refer note 61).

(i) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interest (NCI):

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control:

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

(iv) Equity accounted investees:

The Group's interests in equity accounted investees comprise interest in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 34 - Principles of Consolidation: (Contd.)

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interest in associates and joint ventures are accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(v) Transactions eliminated on consolidation:

The financial statements of the Company, its Subsidiaries, Joint Ventures and Associates used in the consolidation procedure are drawn upto the same reporting date i.e. March 31, 2017.

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of the Company	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(i) Subsidiary Companies:				
(a) Dakshin Cements Limited	India	100%	100%	100%
(b) UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%	80%
(c) Harish Cement Limited	India	100%	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80%!	80%!	80%!
(e) PT UltraTech Investments Indonesia	Indonesia	100%&	100%&	100%&
(f) UltraTech Cement SA (PTY)	South Africa	100%	100%	100%
(g) UltraTech Cement Middle East Investments Limited (UCMEIL)	UAE	100%	100%	100%
(h) Star Cement Co. LLC, Dubai*	UAE	100%\$	100%\$	100%\$
(i) Star Cement Co. LLC, Ras-Al-Khaimah*	UAE	100%\$	100%\$	100%\$
(j) Al Nakhla Crusher LLC, Fujairah*	UAE	100%\$	100%\$	100%\$
(k) Arabian Cement Industry LLC, Abu Dhabi*	UAE	100%\$	100%\$	100%\$
(l) Arabian Gulf Cement Co W.L.L, Bahrain*	Bahrain	100%^	100%^	100%^
(m) Emirates Power Company Limited, Bangladesh*	Bangladesh	100%	100%	100%
(n) Emirates Cement Bangladesh Limited, Bangladesh*	Bangladesh	100%	100%	100%
(o) Bhagwati Lime Stone Company Private Limited (BLCPL)	India	100%	100%	100%
(p) Awam Minerals LLC , Oman *	Oman	51%	51%	51%
(q) UltraTech Cement Mozambique Limitada, Mozambique*	Mozambique	100% @	100% @	100% @
(r) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%	100%
(s) PT UltraTech Cement Indonesia#	Indonesia	99%	99%	99%
(t) PT UltraTech Mining Sumatera #	Indonesia	100%	100%	100%
(ii) Joint Venture: Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%	47.37%
(iii) Associate: Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%	11.17%

! 4% Shareholding of UCMEIL.

& 5% Shareholding of UCMEIL.

* Subsidiaries of UCMEIL.

\$ 51% held by nominee as required by local law for beneficial interest of the group.

^ 1 share held by employee as nominee for the beneficial interest of the group.

@ 90% Shareholding of UCMEIL.

Subsidiary of PT UltraTech Investments Indonesia.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 35:

Notes on Accounts of the financial statements of the Company, its Subsidiaries and its interest in Joint Ventures and Associates are set out in their respective financial statements.

Note 36 - Goodwill on Consolidation:

Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Note 37 - Contingent Liabilities (Ind AS 37):

(a) Claims against the Group not acknowledged as debt:

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Sales-tax / VAT Matters	343.38	320.32	307.27
(b) Excise Duty and Service Tax Matters	1,006.17	878.06	726.06
(c) Royalty on Limestone/ Marl / Shale	201.54	314.10	294.58
(d) Customs	168.44	125.69	121.61
(e) Others	531.36	514.61	325.89

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

(b) The Company, has filed an appeal with Competition Appellate Tribunal ("COMPAT") against two orders of the Competition Commission of India ("CCI") dated August 31, 2016 & January 19, 2017 respectively and as per the directions of COMPAT, has deposited ₹ 117.55 Crores, being 10% of the penalty imposed by CCI under its order dated August 31, 2016. COMPAT has since granted a stay on both the CCI orders. The Company, backed by a legal opinion, believes that it has a good case and accordingly no provision has been made in the accounts.

(c) Guarantees:

The Company has issued corporate guarantees as under:

- In favour of the Bankers / Lenders on behalf of its Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:
 - Bhaskarpara Coal Company Limited (JV) ₹ 4.00 Crores (March 31, 2016 ₹ 4.00 Crores, April 1, 2015 ₹ 4.00 Crores).
- In favour of the Government Authority on behalf of one of the Company's Unit of an amount not exceeding ₹ 3.00 Crores (March 31, 2016 ₹ 3.00 Crores, April 1, 2015 ₹ 3.00 Crores) towards exemption from payment of excise duty.
- In favour of the Bank, for assistance in arrangement of interest bearing loan of ₹ 500 Crores (March 31, 2016 ₹ 500 Crores, April 1, 2015 ₹ 500 Crores) to Jaiprakash Associates Limited.

(d) The Sri Lankan Customs commenced an inquiry on the allegation that dividends declared by 'Ultratech Cement Lanka Private Limited' ("UCLPL") and remitted to the Company represents part of settlement in respect of the cement imported by UCLPL and alleged that additional duty is payable by UCLPL. The Sri Lankan Customs have not provided a basis for any value to be attributed as alleged additional duty payable.

UCLPL filed a Writ Application in the Court of Appeal in seeking inter alia to quash the aforesaid decision by Sri Lankan Customs to hold the said inquiry. However, the application was dismissed by the Court of Appeal on March 28, 2014. UCLPL filed a Special Leave Application in the Supreme Court against the judgment of the Court of Appeal in the above Writ Application which is currently pending before the Supreme Court and is due to be called before the Supreme Court again on May 05, 2017.

UCLPL contends there is no basis to include dividends paid in the value of goods and consequently intend to resist the aforesaid contention of the Customs at any inquiry. Hence, no provision for the alleged additional duty payable is provided in the consolidated financial statements.

Note 38 - Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 1,064.33 Crores (March 31, 2016 ₹ 953.01 Crores, April 1, 2015 ₹ 1,467.67 Crores).

Note 39:

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company is in the process of making an application for the transfer of mines.

Note 40 - Acquisition of identified cement units of Jaiprakash Associates Limited:

The Board of Directors of the Company has approved a Scheme of Arrangement between the Company, Jaiprakash Associates Limited ("JAL"), Jaypee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 40 - Acquisition of identified cement units of Jaiprakash Associates Limited: (Contd.)

Cement Corporation Limited and their respective shareholders and creditors ("the Scheme") for the acquisition of identified cement plants situated in the states of Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand and Andhra Pradesh, having a capacity of 21.20 mtpa at an enterprise value of ₹ 16,189 Crores.

The Scheme has received the sanction of the National Company Law Tribunal, Mumbai Bench and the Allahabad Bench and also by the Securities and Exchange Board of India. The Scheme will be made effective by the Board of Directors of the Company, JAL and JCCL upon receipt of the remaining approvals.

Note 41 - Employee Benefits (Ind AS 19):

(A) Defined Benefit Plans:

Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Group and is in accordance with the Rules of the Group for payment of gratuity.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Group to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Pension:

The Group considers pension for some of its employees at senior management based on the period of service and contribution for the Group.

Post-Retirement Medical Benefits:

On account of cement business acquired from transferor under a scheme of amalgamation, there are certain ex-employees of such company who are entitled for Post-retirement medical benefits as per the scheme of such company, other employees are not entitled for these benefits.

Statement of Assets and Liabilities for Defined Benefit Obligation as on April 1, 2015:

₹ in Crores

Particulars	Gratuity		Pension	Post -Retirement Medical Benefits
	Funded	Others		
Defined benefit obligation	310.58	1.58	7.91	0.56
Fair Value of the Assets	310.58	-	-	-

Particulars	As at March 31, 2017				As at March 31, 2016			
	Gratuity		Pension	Post -Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
(i) Change in defined benefit obligation								
Balance at the beginning of the year	355.12	1.44	7.63	0.57	310.58	1.58	7.91	0.56
Adjustment of:								
Current Service Cost	30.36	0.16	-	-	28.09	0.18	-	-
Interest Cost	27.74	0.14	0.58	0.04	23.97	0.14	0.59	0.04
Actuarial (gains)/losses recognised in Other Comprehensive Income:								
- Change in Financial Assumptions	24.73	(0.13)	0.40	0.02	(5.52)	(0.10)	(0.08)	(0.01)
- Change in Demographic Assumptions	(11.24)	-	-	-	-	-	-	-
- Experience Changes	2.16	0.01	0.18	0.01	13.14	(0.04)	0.12	0.03
Benefits Paid	(21.54)	(0.13)	(0.91)	(0.03)	(15.14)	(0.32)	(0.91)	(0.05)
Balance at the end of the year	407.33	1.49	7.88	0.61	355.12	1.44	7.63	0.57
(ii) Change in Fair Value of Assets @								
Balance at the beginning of the year	355.12	-	-	-	310.58	-	-	-
Expected Return on Plan Assets	28.55	-	-	-	24.57	-	-	-
Re-measurements due to:								
Actual Return on Plan Assets less interest on Plan Assets	3.03	-	-	-	5.10	-	-	-
Contribution by the employer	66.54	0.03	0.91	0.03	30.01	0.28	0.91	0.05
Benefits Paid	(21.54)	(0.03)	(0.91)	(0.03)	(15.14)	(0.28)	(0.91)	(0.05)
Balance at the end of the year	431.70	-	-	-	355.12	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 41 - Employee Benefits (Ind AS 19): (Contd.)

₹ in Crores

Particulars	As at March 31, 2017				As at March 31, 2016			
	Gratuity		Pension	Post - Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
(iii) Net Asset / (Liability) recognised in the Balance Sheet								
Present value of Defined Benefit Obligation	(407.33)	(1.49)	(7.88)	(0.61)	(355.12)	(1.44)	(7.63)	(0.57)
Fair Value of Plan Assets	431.70	-	-	-	355.12	-	-	-
Net Asset / (Liability) in the Balance Sheet	24.37	(1.49)	(7.88)	(0.61)	-	(1.44)	(7.63)	(0.57)
(iv) Expenses recognised in the Consolidated Statement of Profit and Loss								
Current Service Cost	30.36	0.16	-	-	28.09	0.18	-	-
Interest Cost	27.74	0.14	0.58	0.04	23.97	0.14	0.59	0.04
Expected Return on Plan Assets	(28.55)	-	-	-	(24.57)	-	-	-
Total Expense	29.55	0.30	0.58	0.04	27.49	0.32	0.59	0.04
Less: Transferred to Pre-operative Expenses	(0.07)	-	-	-	(0.23)	-	-	-
Amount charged to the Consolidated Statement of Profit and Loss	29.48	0.30	0.58	0.04	27.26	0.32	0.59	0.04
(v) Re-measurements recognised in Other Comprehensive Income (OCI):								
Changes in Financial Assumptions	24.73	(0.13)	0.40	0.02	(5.52)	(0.10)	(0.08)	(0.01)
Changes in Demographic Assumptions	(11.24)	-	-	-	-	-	-	-
Experience Adjustments	2.16	0.01	0.18	0.01	13.14	(0.04)	0.12	0.03
Actual return on Plan assets less interest on plan assets	(3.03)	-	-	-	(5.10)	-	-	-
Amount recognised in Other Comprehensive Income (OCI)	12.62	(0.12)	0.58	0.03	2.52	(0.14)	0.04	0.02
(vi) Maturity profile of defined benefit obligation:								
Within the next 12 months	37.75	0.15	0.07	0.06	29.50	0.18	0.07	0.08
Between 1 and 5 years	118.33	0.85	0.28	0.23	95.14	0.88	0.28	0.22
Between 5 and 10 years	152.39	1.51	0.27	0.22	139.05	0.73	0.27	0.22
10 Years and above	746.77	0.24	0.89	0.64	791.07	1.01	0.95	0.64
(vii) Sensitivity analysis for significant assumptions:*								
Increase/(Decrease) on present value of defined benefits obligation at the end of the year								
1% increase in discount rate	(37.03)	(0.07)	(0.53)	(0.04)	(33.56)	(0.08)	(0.51)	(0.04)
1% decrease in discount rate	43.58	0.08	0.61	0.04	39.55	0.09	0.58	0.04
1% increase in salary escalation rate	42.48	0.08	-	-	38.82	0.08	-	-
1% decrease in salary escalation rate	(36.94)	(0.07)	-	-	(33.66)	(0.08)	-	-
1% increase in employee turnover rate	(13.36)	(0.01)	-	-	(11.40)	(0.02)	-	-
1% decrease in employee turnover rate	15.89	0.01	-	-	13.65	0.02	-	-
(viii) The major categories of plan assets as a percentage of total plan @								
Insurer Managed Funds	100%	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.
Total	100%	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.
(ix) Actuarial Assumptions:								
Discount Rate (p.a.)	7.5%	11.5%	7.5%	7.5%	8.15%	10.0%	8.15%/8.06%	8.15%
Expected Return on Plan Assets (p.a.)	7.5%	-	-	-	8.00%	-	-	-
Turnover Rate	2%	1% -10%	-	-	1%-2%	1%-10%	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 41 - Employee Benefits (Ind AS 19): (Contd.)

₹ in Crores

Particulars	As at March 31, 2017				As at March 31, 2016			
	Gratuity		Pension	Post - Retirement Medical Benefits	Gratuity		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
Mortality tables	Indian Assured Lives Mortality (2006-08)	GA 1983 Mortality table	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably	Indian Assured Lives Mortality (2006-08)	GA 1983 Mortality table	PA(90) annuity rates adjusted suitably	PA(90) annuity rates adjusted suitably
Salary Escalation Rate (p.a.)	8.00%	10.0%	-	-	8.00%	10.0%	-	-
Retirement age : Management - Non-Management -	60 Yrs. 58 Yrs.	55 Yrs.	-	60 Yrs.	60 Yrs. 58 Yrs.	55 Yrs.	-	60 Yrs.
(x) Weighted Average duration of Defined benefit obligation	9.8 Yrs.	9.5 Yrs.	7.4 Yrs.	6.8 Yrs.	10.2 Yrs.	9.5 Yrs.	7.4 Yrs.	6.6 Yrs.

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

@ The plan does not invest directly in any property occupied by the Group nor in any financial securities issued by the Group.

(xi) **Basis used to determine Expected Rate of Return on Plan Assets:**

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(xii) **Salary Escalation Rate:**

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(xiii) **Asset Liability matching strategy:**

The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Group to fully prefund the liability of the Plan. The Group's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

(xiv) The Group's expected contribution during next year is ₹ Nil Crores (March 31, 2016 ₹ 21.06 Crores).

(B) **Defined Contribution Plans:**

Amount recognized as an expense and included in Note 29 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 71.59 Crores (March 31, 2016 ₹ 66.13 Crores).

(C) Amount recognized as an expense in respect of Compensated Absences is ₹ 28.70 Crores (March 31, 2016 ₹ 29.85 Crores).

(D) Amount recognized as expense for other long-term employee benefits is ₹ 5.37 Crores (March 31, 2016 ₹ 3.31 Crores).

Note 42 - Segment Reporting (Ind AS 108):

The Group is exclusively engaged in the business of cement and cement related products. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating segments applicable to the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 43 - Related party disclosures (Ind AS 24):

Names of Related Parties with whom transactions were carried out during the year:

Parties	Relationship
Grasim Industries Limited	Holding Company
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Grasim Bhiwani Textiles Limited	Fellow Subsidiary
Madanpur (North) Coal Company Private Limited(MNCCPL)	Associate
Bhaskarpara Coal Company Limited	Joint Venture
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. R.C. Bhargava (Till July 20, 2016) - Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director	Key Management Personnel (KMP)
Mr. Rajiv Dube (Till July 20, 2016) - Non-Executive Director	Key Management Personnel (KMP)
Mr. Adesh Gupta (Till June 30, 2015) - Non-Executive Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu (w.e.f October 11, 2014) - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mr. S. Rajgopal (Till August 28, 2015) - Independent Director	Key Management Personnel (KMP)
Mrs. Renuka Ramnath (w.e.f October 11, 2014) - Independent Director	Key Management Personnel (KMP)
Mr. D.D. Rathi - Non-Executive Director	Key Management Personnel (KMP)
Mr. O.P. Puranmalka - Non-Executive Director	Key Management Personnel (KMP)
Mr. Dilip Gaur (Till March 31, 2016) - Executive Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha (w.e.f June 9, 2016) - Independent Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari (w.e.f April 1, 2016) - Managing Director	Key Management Personnel (KMP)
Mr. Atul Daga (w.e.f June 9, 2016) - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Sita Puranmalka (Till March 31, 2016)	Relative of KMP (Wife of Mr. O.P. Puranmalka)
Mrs. Kritika Daga (w.e.f. June 9, 2016)	Relative of KMP (Wife of Mr. Atul Daga)

(a) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2017	Year Ended March 31, 2016
Sale of Goods:		
Holding Company	6.07	5.42
Fellow Subsidiary	0.09	0.07
Total	6.16	5.49
Purchase of Goods:		
Holding Company	1.46	2.34
Fellow Subsidiary	0.06	0.03
Total	1.52	2.37
Sale of Fixed Assets:		
Holding Company	0.23	0.04
Purchase of Fixed Assets:		
Holding Company	0.64	0.03
Services received from:		
Holding Company	1.14	0.94
Fellow Subsidiary	0.48	0.48
KMP	34.90	30.64
Relative of Key Management Personnel	0.11	0.23
Total	36.63	32.29
Dividend Paid:		
Holding Company	157.07	148.80
Deposit Given:		
Relative of KMP	5.00	-
Advance against equity refund:		
Associates	-	0.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 43 - Related party disclosures (Ind AS 24): (Contd.)

(b) Outstanding balances:

₹ in Crores

Nature of Transaction/Relationship	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans and Advances:			
Holding Company	0.32	-	0.18
Fellow Subsidiary	0.36	0.35	0.37
Associates	-	-	0.05
Joint Venture	2.49	2.49	2.49
Total	3.17	2.84	3.09
Other Current Liabilities:			
Holding Company	-	0.01	-
Deposit:			
Relative of Key Management Personnel	5.00	0.98	0.98

(c) Compensation of key management personnel of the Company:

Nature of transaction/relationship	Year Ended March 31, 2017	Year Ended March 31, 2016
Short-term employee benefits	9.48	12.66
Other long-term benefits	4.81	3.02
Share based payment	0.49	2.96
Total compensation paid to key management personnel	14.78	18.64

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31, 2017, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 44 - Income Taxes (Ind AS 12):

(i) Reconciliation of effective tax rate:

In %

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Applicable tax rate	34.61	34.61
Effect of Tax Exempt Income	(0.20)	(0.10)
Effect of Non-Deductible expenses	0.95	0.74
Effect of Allowances for tax purpose	(2.94)	(4.20)
Effect of Tax paid at a lower rate	(2.33)	(2.83)
Effect of Previous year adjustments	(0.04)	-
Effect of Lower Jurisdiction Tax Rate	(0.67)	(1.17)
Others	0.54	0.47
Effective Tax Rate	29.92	27.52

(ii) At March 31, 2017 a deferred tax liability of ₹ 51.54 Crores (March 31, 2016 ₹ 37.19 Crores) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognized because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.

(iii) The Company has announced a proposed dividend of ₹ 10 per share and accordingly, the dividend distribution tax on account of the same amounting to ₹ 50.88 Crores shall be recognized once the dividend is paid.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 45 - Earnings per Share (EPS) (Ind AS 33):

₹ in Crores

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	2,714.92	2,478.04
(ii) Weighted average number of Equity Shares outstanding (Nos.)	274,454,099	274,412,456
Basic EPS (₹) (i)/(ii)	98.92	90.30
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	274,454,099	274,412,456
(ii) Add: Potential Equity Shares on exercise of option (Nos.)	122,287	156,017
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii)	274,576,386	274,568,473
Diluted EPS (₹) {(A) (i) / (B) (iii)}	98.88	90.25

Note 46 - Summarised financial information of individually immaterial associate and joint venture:

The Company's interest in Madanpur (North) Coal Company Private Limited is accounted for using the equity method in the consolidated financial statements. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Company for equity accounting purposes:

Madanpur (North) Coal Company Private Limited:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from continuing Operations	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	0.01	0.01

Bhaskarpara Coal Company Limited: NIL

Note 47 - Auditors' remuneration including remuneration for Subsidiaries' Auditors (excluding service tax) and expenses:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Review)	3.17	3.40
Tax audit fees	0.10	0.15
Fees for other services	0.10	0.11
Expenses reimbursed	0.09	0.03
(b) Cost Auditors:		
Audit fees	0.17	0.16
Fees for other services (₹ March 31, 2016 - ₹ 25,000)	-	-
Expenses reimbursed	0.01	0.01

Note 48:

The following expenses are included in the different heads of expenses in the Consolidated Statement of Profit and Loss:

Particulars	Year Ended March 31, 2017			Year Ended March 31, 2016		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	96.68	47.09	143.77	166.18	61.96	228.14
Royalty and Cess	582.45	-	582.45	607.79	-	607.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 49 – Share Based Payments (Ind AS 102):

The Group has granted 805,950 options (including Restricted Stock Units) to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

*Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Group.

(B) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 49 – Share Based Payments (Ind AS 102): (Contd.)

(C) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2017		As at March 31, 2016	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	315,961	1,441.56	324,869	1,332.15
Granted during the year	60,098	2,594.43	34,704	2,186.25
Exercised during the year	(76,529)	862.43	(26,750)	998.07
Forfeited during the year	(47,953)	1,507.37	(16,862)	1,569.85
Outstanding at the end of the year	251,577	1,880.59	315,961	1,441.56
Options exercisable at the end of the year	122,191	1,601.16	83,134	1,679.80

The weighted average share price at the date of exercise for options was ₹ 3,621.29 per share (March 31, 2016 ₹ 2,845.53 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2017 was 4.5 years (March 31, 2016 : 4.2 years).

(D) Fair Valuation:

Weighted Average Fair value of the options granted during the year ₹ 2,366.93 (March 31, 2016 ₹ 2,033.15)

The fair value of option have been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche I: 0.49, Tranche II: 0.52, Tranche III: 0.30, Tranche IV: 0.30, Tranche V: 0.30, Tranche VI: 0.25
4. Expected Growth in Dividend - 20%

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
(b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche I: 0.29, Tranche II: 0.27, Tranche III: 0.28, Tranche IV: 0.60 Tranche V: 0.60, Tranche VI: 0.61
4. Expected Growth in Dividend - Tranche I: 20%, Tranche II-III: 15%, Tranche IV: 5%, Tranche V: 5%, Tranche VI: 5%

*Expected volatility on the Company's stock price on NSE based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

(E) Details of the liabilities arising from the Share based payments were as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total Carrying amount	20.94	25.20	17.30

Note 50(A) – Classification of Financial Assets and Liabilities (Ind AS – 107):

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial Assets at amortised cost:			
Trade receivables	1,757.09	1,928.21	1,660.76
Loans	190.12	197.77	198.45
Investments (non-current)	7.44	7.43	7.42
Cash and bank balances	2,248.79	2,266.96	363.30
Other financial assets	215.33	232.99	202.99
Financial Assets at fair value through profit or loss:			
Investments	6,683.07	5,087.75	4,946.63
Fair Value Hedging Instruments:			
Derivative assets	215.82	624.43	539.97
Total	11,317.66	10,345.54	7,919.52

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50(A) – Classification of Financial Assets and Liabilities (Ind AS – 107): (Contd.)

₹ In Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial liabilities at amortised cost:			
Non-Convertible Debentures	2,825.00	1,665.00	1,774.00
Term Loan from Banks	400.00	1,271.08	450.00
Cash Credits/Working Capital Borrowing	100.83	392.41	819.83
Commercial Papers	978.35	1,487.30	1,244.10
Sales Tax Deferment Loan	304.23	305.32	347.05
Trade payables	1,865.39	1,725.56	1,716.61
Other financial liabilities	290.18	332.15	391.49
Foreign Currency Borrowings	3,866.08	5,494.88	5,551.72
Fair Value Hedging Instrument:			
Derivative liability	31.15	29.34	165.51
Total	10,661.21	12,703.04	12,460.31

Note 50(B) - Fair Value Measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	Fair Value		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial Assets at fair value through profit or loss:			
Investments – Level 2	6,667.76	5,073.71	4,933.38
Investments – Level 3	15.31	14.04	13.25
Fair value Hedge Instruments:			
Derivative assets – Level 2	215.82	624.43	539.97
Total	6,898.89	5,712.18	5,486.60
Fair value Hedge Instruments:			
Derivative liability – Level 2	31.15	29.34	165.51
Total	31.15	29.34	165.51

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits, commercial papers and other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.
- The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- The fair value of commodity swaps is calculated as the present value determined using the forward price and interest rate curve of the respective currency.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 50(B) - Fair Value Measurements (Ind AS 113): (Contd.)

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2017, March 31, 2016 and April 01, 2015 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as Fair Value through Profit and Loss	DCF method	Average Cost of Borrowings	March 31 2017: 8.50% March 31 2016: 8.50% April 01 2015: 8.25%	0.5% (March 31, 2016: 0.5%) increase/(decrease) would result in increase/(decrease) in fair value by ₹ (0.38) Crores (March 31, 2016: ₹ (0.41) Crores)

Reconciliation of Level 3 Fair Value Measurements:

	₹ in Crores
Balance as at April 1, 2015	-
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.79
Balance as at March 31, 2016	0.79
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.11
Balance as at March 31, 2017	1.11

Note 51- Financial Risk Management Objectives (Ind AS 107):

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities exposes it to market risk, liquidity risk and credit risk. Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps that are entered to hedge foreign currency risk exposure, interest rate swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The several sources of risks which the group is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade receivables, Investments, Derivative financial instruments	Ageing Analysis, Credit Rating	Diversification of mutual fund investments, Credit limit & credit worthiness monitoring, Criteria based approval process
Liquidity Risks	Borrowings & Other Liabilities & Illiquid Investments	Rolling Cash Flow Forecasts Broker Quotes	Adequate unused credit lines and borrowing facilities Portfolio Diversification
Foreign Exchange Risk	Committed commercial transaction Financial Asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts Foreign currency options Principal only/Currency swaps
Interest Rate	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds & Other Debt Securities	Sensitivity Analysis, Interest Rate Movements	Interest Rate Swaps Portfolio Diversification
Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal	Sensitivity Analysis, Commodity Price Tracking	Commodity Fixed Prices Swaps/Options

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies & principles are reviewed by internal auditors on periodical basis.

The corporate treasury team updates to the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Group on periodical basis about the various risks to the business and status of various activities planned to mitigate the risk.

Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 51- Financial Risk Management Objectives (Ind AS 107): (Contd.)

Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials & spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

In Crores

Outstanding foreign currency exposure	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables			
USD	0.37	0.26	0.14
Euro	0.09	-	-
Others	-	-	0.02
Trade Payables			
USD	0.52	0.63	0.58
Euro	0.18	0.29	0.29
Borrowings			
USD	26.14	45.87	49.28
JPY	-	546.64	1,386.64
Others			
USD	-	0.10	0.12
JPY	-	-	1.78
Investments			
USD	6.92	6.40	6.40

Foreign currency sensitivity on unhedged exposure:

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
USD	(4.49)	(4.24)	(4.00)
Euro	-	-	(0.05)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure :

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings
INR	4,545.07	36.80	4,204.04	304.23
USD	3,866.08	-	3,866.08	-
AED	0.74	0.74	-	-
BDT	61.37	61.37	-	-
BHD	1.23	1.23	-	-
Total as at March 31, 2017	8,474.49	100.14	8,070.12	304.23
INR	4,887.98	246.11	4,336.55	305.32
USD	5,267.85	2,499.99	2,767.86	-
JPY	322.44	-	322.44	-
AED	66.11	66.11	-	-
BDT	70.66	70.66	-	-
OMR	0.95	0.96	-	-
Total as at March 31, 2016	10,615.99	2,883.82	7,426.85	305.32

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 51- Financial Risk Management Objectives (Ind AS 107): (Contd.)

₹ in Crores

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings
INR	3,969.10	143.29	3,478.76	347.05
USD	4,824.00	2,306.66	2,517.34	-
JPY	722.79	297.11	425.68	-
AED	586.10	586.10	-	-
BDT	76.79	76.79	-	-
BHD	2.96	2.96	-	-
OMR	4.95	4.95	-	-
Total as at April 1, 2015	10,186.69	3,417.86	6,421.78	347.05

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings.

Interest rate sensitivities for unhedged exposure (impact of increase in 100 bps):

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
INR	(0.37)	(2.46)	(1.43)
AED	(0.01)	(0.66)	(5.86)
BHD	(0.01)	-	(0.03)
BDT	(0.61)	(0.71)	(0.77)
USD	-	(24.36)	(23.14)
OMR	-	(0.01)	(0.05)
JPY	-	(6.05)	(3.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

Forward Exchange and Interest Rates Swaps Contracts:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

In Crores

Particulars	Purpose	Currency	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	Cross Currency
a. Forward Contracts	Imports	USD	6.09	3.29	2.54	Rupees
	ECB*	USD	-	0.10	-	Rupees
	ECB*	JPY	-	-	30.00	USD
	EPC ^	USD	-	1.45	-	Rupees
	Imports	Euro	0.31	-	-	Rupees
	Imports	Euro	1.66	1.27	0.21	USD
b. Other Derivatives:						
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	22.14	30.78	35.28	Rupees
	ECB*	JPY	-	546.64	816.64	Rupees
ii. Principal only Swap	ECB*	JPY	-	-	540.00	USD
	ECB*	USD	4.00	13.64	19.51	Rupees
iii. Interest Rate Swap	ECB*	USD	4.00	5.00	5.00	USD
	ECB*	USD	33.50	-	-	USD

*External Commercial Borrowings

^ Export Packing Credit

(B) Cash Flow Hedges:

The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following Hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

- (i) an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk ; and
- (iii) assessment of the hedge ratio

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 51- Financial Risk Management Objectives (Ind AS 107): (Contd.)

The Company designates the forward exchange contracts to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is for the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	March 31, 2017	67.38	9.64	(35.22)
Buy Currency for External Commercial Borrowings (USD)	March 31, 2016	66.48	1.45	(0.70)

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	March 31, 2017	2.49%	43.14	38.37
2 to 5 years	March 31, 2016	NIL	NIL	NIL

*Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps.

The Line item in the Balance Sheet that includes the above Hedging Instruments is "Other Financial Assets"/ "Other Financial Liabilities"

Recognition of gains / (losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31, 2017		As at March 31, 2016	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	62.20	-	(0.34)	-

Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments and investments in debt securities, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty.

Trade receivables:

Trade receivables are consisting of a large number of customers. The Group has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Group assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Total Trade receivables as on March 31, 2017 is ₹ 1,757.09 Crores (March 31, 2016 ₹ 1,928.21 Crores, April 01, 2015 ₹ 1,660.76 Crores)

The Group does not have higher concentration of credit risks to a single customer. Single largest customer have total exposure in sales 2.1% (March 31, 2016 2.2%) and in receivables 5.6% (March 31, 2016 7.2%, April 01, 2015 4.0%).

The Group follows global provisioning policy to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016
Opening provision	20.43	2.00
Add: Provided during the year	16.63	18.74
Less: Utilised during the year	(1.38)	(0.31)
Closing Provision	35.68	20.43

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Group enters into the Derivative Contracts with the reputed Banks and Financial Institutions. Investments of surplus funds are made only with approved Financial Institutions/ Counterparty. Investments primarily include investment in units of mutual funds, Quoted Bonds, Non-Convertible Debentures issued by Government/ Semi Government Agencies/ PSU Bonds/ High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2017 is ₹ 6,690.51 Crores (March 31, 2016 ₹ 5,095.18 Crores; April 01, 2015 ₹ 4,954.05 Crores)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 51- Financial Risk Management Objectives (Ind AS 107): (Contd.)

Liquidity risk:

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2017	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	2,103.65	5,199.98	1,170.86	8,474.49
Trade payables	1,871.86	8.13	-	1,879.99
Interest accrued but not due on borrowings	144.04	-	-	144.04
Other financial liabilities (excluding derivative liability)	131.53	0.01	-	131.54
Derivative liability	-	31.15	-	31.15
Investments	5,411.01	1,256.75	-	6,667.76

As at March 31, 2016	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	5,719.40	4,384.52	512.07	10,615.99
Trade payables	1,717.25	8.31	-	1,725.56
Interest accrued but not due on borrowings	117.22	-	-	117.22
Other financial liabilities (excluding derivative liability)	207.99	6.94	-	214.93
Derivative liability	29.34	-	-	29.34
Investments	2,365.06	2,708.65	-	5,073.71

As at April 1, 2015	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,806.87	5,104.96	274.87	1,0186.70
Trade payables	1,700.91	15.70	-	1,716.61
Interest accrued but not due on borrowings	134.97	-	-	134.97
Other financial liabilities (excluding derivative liability)	256.27	0.25	-	256.52
Derivative liability	87.89	74.60	3.02	165.51
Investments	2,786.15	2,147.23	-	4,933.38

Note 52 - Distribution made and proposed (Ind AS 1):

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2016: ₹ 9.5 per share (March 31 2015: ₹ 9.0 per share)	260.71	246.96
DDT on final dividend	50.28	46.40
Total Dividend paid	310.99	293.36
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2017: ₹ 10/- per share (March 31, 2016: ₹ 9.5 per share)	274.51	260.71
DDT on proposed dividend	55.88	53.07
Total Dividend proposed	330.39	313.78

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

Note 53 - Capital Management (Ind AS 1):

The Group's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Group monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 53 - Capital Management (Ind AS 1): (Contd.)

₹ in Crores

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total Debt (Bank and other Borrowings)	8,474.49	10,615.99	10,186.70
Equity	24,391.62	21,945.63	19,719.43
Liquid Investments including bank deposits	8,865.34	7,262.59	5,230.84
Debt to Equity (Net)	(0.02)	0.15	0.25

In addition the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Group.

Note 54 - Corporate Social Responsibility:

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Consolidated Statement of Profit and Loss is ₹ 54.15 Crores (March 31, 2016 ₹ 46.27 Crores) and on account of capital expenditure is ₹ Nil Crores (March 31, 2016 ₹ 4.62 Crores).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2017 is ₹ 53.36 Crores

(March 31, 2016 ₹ 57.82 Crores) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

Note 55 - Government Grant (Ind AS 20):

(a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 126.38 Crores (March 31, 2016 ₹ 135.86 Crores).

(b) Interest, Wages Expenses and Repairs to plant and machinery are net of subsidy received, under State Investment Promotion Scheme of ₹ 26.91 Crores (March 31, 2016 ₹ 65.10 Crores), ₹ 3.70 Crores (March 31, 2016 ₹ 7.11 Crores) and ₹ 1.55 Crores (March 31, 2016 ₹ Nil) respectively.

(c) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date being recognized as an income. Accordingly, an amount of ₹ 17.82 Crores (March 31, 2016: ₹ 2.24 Crores) has been recognized as an income. Every year change in fair value is accounted for as an interest expense.

Note 56 - Assets held for Disposal (Ind AS 105):

The Group has identified certain assets to be disposed off like Packaging Plant, DG Set, Vertical Roller Press Mill, etc. which are not in use for the Group. The Group is in the process of discussion with various potential buyers and expects the same to be disposed off within next 12 months.

Note 57 - Operating Lease (Ind AS 17):

(a) Future minimum rental payables under non-cancellable operating lease :

₹ in Crores

Sr. No	Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(i)	Not later than one year	16.26	16.10
(ii)	Later than one year and not later than five years	61.21	63.47
(iii)	More than five years	111.69	124.72

(b) Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 148.58 Crores (March 31, 2016 ₹ 148.30 Crores)

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

Note 58 - Disclosure for Specified Bank Notes:

Particulars	Specified Bank Notes (₹ 1000 and ₹ 500)	Other Denomination Notes	Total
Closing cash in hand as on November 08, 2016	0.29	0.04	0.33
(+) Permitted receipts	0.04	0.61	0.65
(-) Permitted payments	-	(0.41)	(0.41)
(+) Amount Withdrawn from Banks	-	0.01	0.01
(-) Amount deposited in Banks	(0.33)	(0.07)	(0.40)
Closing cash in hand as on December 30, 2016	-	0.18	0.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 59:

Sr. No	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)	As % of consolidated OCI	Amount (₹ Crores)	As % of consolidated TCI	Amount (₹ Crores)
1	Parent	95.81%	23,378.27	96.81%	2,627.01	-141.30%	(42.44)	94.21%	2,584.57
2	Subsidiaries								
	Indian								
(i)	Dakshin Cements Limited	0.00%	(0.00)	0.00%	-	-	-	0.00%	-
(ii)	Harish Cement Limited	0.63%	153.66	0.00%	-	-	-	0.00%	-
(iii)	Bhagwati Lime Stone Company Private Limited	0.01%	1.82	0.00%	(0.09)	-	-	0.00%	(0.09)
(iv)	Gotan Lime Stone Khanij Udyog Private Limited	0.09%	21.43	-0.02%	(0.52)	-	-	-0.02%	(0.52)
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.33%	81.29	1.00%	27.08	0.24%	0.07	0.99%	27.16
(ii)	UltraTech Cement Middle East Investments Limited	3.09%	754.43	2.67%	72.55	240.99%	72.39	5.28%	144.94
(iii)	PT UltraTech Mining Indonesia	0.00%	0.46	-0.19%	(5.21)	-	-	-0.19%	(5.21)
(iv)	PT UltraTech Investment Indonesia	0.00%	0.26	-0.22%	(5.91)	-	-	-0.22%	(5.91)
3	Non-Controlling Interests in Subsidiaries								
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.07%	17.32	0.21%	5.76	0.06%	0.02	0.21%	5.78
(ii)	UltraTech Cement Middle East Investments Limited	-0.03%	(7.66)	-0.22%	(6.07)	-	-	-0.22%	(6.07)
(iii)	PT UltraTech Mining Indonesia	0.00%	0.12	-0.04%	(1.04)	-	-	-0.04%	(1.04)
(iv)	PT UltraTech Investment Indonesia	0.00%	(0.07)	0.00%	(0.06)	-	-	0.00%	(0.06)
4	Joint Venture-Indian								
	Bhaskarpara Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
5	Associate-Indian								
	Madanpur (North) Coal Company Private Limited	0.00%	-	0.00%	0.01	-	-	0.00%	0.01
	Total	100%	24,401.33	100%	2,713.51	100%	30.04	100%	2,743.55

Note 60:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017. The Company is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

(A) Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(B) Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 61- First-time adoption of Ind AS:

These financial statements, for the year ended March 31, 2017, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its IGAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016 and how the transition from IGAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

Exemptions Available:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has availed the following exemptions:

(a) Past Business Combinations:

The Company has elected not to apply Ind AS 103- Business Combinations retrospectively to past business combinations that occurred before the transition date of April 01, 2015. Consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements.

(b) Deemed cost for property, plant and equipment and intangible assets:

The Group has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(c) Share-Based Payments:

The Group has opted not to apply Ind AS 102, Share based payment to equity instruments that vested before date of transition to Ind AS and to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind ASs.

(d) Decommissioning liabilities included in the cost of property, plant and equipment:

The Group has measured the liability as at the date of transition to Ind AS as per Ind AS 37 to the extent that the liability is within the scope of Ind AS 16, estimated the amount that would have been included in the cost of the related asset when the liability first arose, by discounting the liability to that date using its best estimate of the historical risk-adjusted discount rate that would have applied for that liability over the intervening period and calculated the accumulated depreciation on that amount, as at the date of transition to Ind AS, on the basis of the current estimate of the useful life of the asset, using the depreciation policy adopted by the entity in accordance with Ind AS.

(e) Sales Tax Deferment Loan:

The Group has elected to use the previous GAAP carrying amount of the Sales Tax Deferment Loan existing at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

(f) Fair Value of Financial Assets and Liabilities:

As per Ind AS exemption the Group has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Reconciliation of Equity:

₹ in Crores

Particulars	Notes	As at April 1, 2015			As at March, 31 2016		
		IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
Assets							
Non-Current Assets							
(a) Property, Plant and Equipment	a	22,209.99	10.89	22,220.88	23,934.00	(52.18)	23,881.82
(b) Capital Work-in-progress		2,245.17	(4.45)	2,245.17	1,471.74	(3.73)	1,468.01
(c) Goodwill		1,053.11	-	1,053.11	1,106.24	-	1,106.24
(d) Other Intangible Assets	a (iii)	79.75	127.78	207.53	109.29	212.07	321.36
(e) Intangible Assets under development		4.84	-	4.84	1.08	-	1.08
(f) Financial Assets			-				
(i) Investments							
(a) Investments accounted using equity method	u		7.42	7.42		7.43	7.43
(b) Other Investments	b	1,977.04	183.44	2,160.48	2,370.00	352.69	2,722.69
(ii) Loans	f	9.33	69.85	79.18	8.95	71.01	79.96
(iii) Other Financial Assets	c,e,f	95.58	451.44	547.02	76.01	206.53	282.54
(g) MAT Credit	j (ii)	711.42	(711.42)	-	888.28	(888.28)	-
(h) Non-current tax assets		115.77	(20.99)	94.78	117.81	(25.56)	92.25
(i) Deferred tax assets		9.64	-	9.64	10.20	-	10.20
(j) Other non-current assets	a (ii), c, f	891.06	18.44	909.50	698.74	(2.87)	695.87
Total Non-Current Assets		29,402.70	132.40	29,535.10	30,792.34	(122.89)	30,669.45
Current Assets							
(a) Inventories	a (i)	2,949.12	(120.19)	2,828.93	2,615.40	(160.82)	2,454.58
(b) Financial Assets							
(i) Investments	b	2,522.98	263.17	2,786.15	2,027.61	337.45	2365.06
(ii) Trade Receivables		1,658.82	1.94	1,660.76	1,926.58	1.63	1,928.21
(iii) Cash and cash equivalents	d	370.60	(288.56)	82.04	2,272.06	(2,181.88)	90.18
(iv) Bank balances other than (iii) above	d	-	281.26	281.26	-	2,176.78	2,176.78
(v) Loans	f	9.84	109.43	119.27	9.09	108.72	117.81
(vi) Other Financial Assets	e, f	209.85	(13.91)	195.94	158.68	416.20	574.88
(c) Current Tax Assets		-	21.05	21.05	-	25.56	25.56
(d) Other current assets	f	934.90	(81.84)	853.06	950.71	(164.35)	786.35
Asset Held for disposal		4.24	-	4.24	14.45	-	14.45
Total Current Assets		8,660.35	172.34	8,832.70	9,974.58	559.29	10,533.87
Total Assets		38,063.05	304.75	38,367.80	40,766.92	436.39	41,203.31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards (Contd.)

Reconciliation of Equity:

₹ in Crores

Particulars	Notes	2014-15			2015-16		
		Indian GAAP	+/-	Ind AS	Indian GAAP	+/-	Ind AS
Equity and Liabilities							
Equity							
(a) Equity Share Capital		274.40	-	274.40	274.43	-	274.43
(a) Other Equity	b, i, j, k, m to v	18,766.78	678.25	19,445.03	20,783.94	887.26	21,671.20
Non-controlling Interest		18.19	-	18.19	15.45	-	15.45
Equity Attributable to Equity Holders of Parent		19,059.37	678.25	19,737.62	21,073.82	887.26	21,961.08
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings	g	4,992.66	387.17	5,379.83	4,719.53	177.06	4,896.59
(ii) Trade Payables		15.70	-	15.70	8.31	-	8.31
(iii) Other financial liabilities	e	0.25	77.62	77.87	6.94	-	6.94
(b) Provisions	h	178.19	68.43	246.62	198.07	71.96	270.03
(c) Deferred tax liabilities (net)	j	2,795.51	(663.05)	2,132.46	3,231.74	(790.66)	2,441.08
(d) Other non-current liabilities		1.09	-	1.09	1.04	-	1.04
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	g	2,563.93	-	2,563.93	2,476.11	(0.32)	2,475.79
(ii) Trade Payables	i	1,711.15	(10.24)	1,700.91	1,749.25	(32.00)	1,717.25
(iii) Other financial liabilities	e,g,i	2,661.42	60.65	2,722.07	3,156.66	441.50	3,598.16
(b) Other current liabilities		2,934.04	3.10	2,937.14	3,189.85	(4.63)	3,185.22
(c) Provisions	k	459.89	(297.18)	162.71	482.50	(313.78)	168.72
(d) Current Tax Liabilities (net)		689.85	-	689.85	473.10	-	473.10
Total Equity and Liabilities		38,063.05	304.75	38,367.80	40,766.92	436.39	41,203.31

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

Particulars	Notes	IGAAP	+/-	Ind AS
Revenue from Operations	m	25,551.81	2,839.78	28,391.59
Other Income	n, o	218.31	245.49	463.80
Total Income (I)		25,770.12	3,085.27	28,855.39
Expenses				
Cost of Raw Materials Consumed	p	3,985.74	(2.83)	3,982.91
Purchases of Stock-in-Trade		453.21	-	453.21
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	m (ii)	(13.11)	(5.50)	(18.61)
Employee Benefits Expense	q, r	1,443.34	1.63	1,444.97
Finance Costs	t	559.93	6.37	566.30
Depreciation and Amortisation Expense	s	1,368.35	8.82	1,377.17
Power and Fuel		4,579.25	-	4,579.25
Freight and Forwarding Expense		5,973.93	-	5,973.93
Excise Duty on sales	m	-	3,238.35	3,238.35
Other Expenses	s	4,275.18	(402.22)	3,872.96
Less: Captive Consumption of Cement		(36.35)	-	(36.35)
Total Expenses (II)		22,589.46	2,844.63	25,434.09
Profit before Tax Expenses and Share in Profit of Joint Venture and Associates		3,180.66	240.64	3,421.30
Share in Profit of Joint Venture and Associates	u	-	0.01	0.01
Profit before Tax Expenses		3,180.66	240.65	3,421.31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards (Contd.)

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016 (Contd.)

₹ in Crores

Particulars	Notes	IGAAP	+/-	Ind AS
Tax Expenses:				
Current Tax	v	632.99	(0.04)	632.95
Deferred Tax Charge	j	259.49	49.25	308.74
Total		892.48	49.21	941.69
Profit for the Year		2,288.18	191.44	2,479.62
Profit attributable to Non Controlling Interest		1.60	(0.02)	1.58
Profit attributable to Owners of the Parent		2,286.58	191.46	2,478.04
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit and Loss	v	-	(2.44)	(2.44)
(ii) Income Tax Relating to Items that will not be reclassified to profit and Loss	v	-	(0.04)	(0.04)
B (i) Items that will be reclassified to profit and Loss	v	-	31.90	31.90
(ii) Income Tax Relating to Items that will be reclassified to profit and Loss		-	-	-
Other Comprehensive Income for the Year		-	29.42	29.42
Other Comprehensive Income attributable to Non Controlling Interest		-	0.02	0.02
Other Comprehensive Income attributable to Owners of the Parent		-	29.40	29.40
Total Comprehensive Income for the Year		-	2,509.04	2,509.04
Total comprehensive income attributable to Non-controlling Interest		-	1.60	1.60
Total comprehensive income attributable to owners of the Parent		-	2,507.44	2,507.44

Reconciliation of Statement of Cashflow for the year ended March 31, 2016

Particulars	Indian GAAP	Effect of transition to Ind AS	Ind AS
Net Cashflow from Operating Activities	4,497.96	27.55	4,525.51
Net Cashflow from Investing Activities	(1,693.43)	(2033.28)	(3,726.71)
Net Cashflow from Financing Activities	(844.03)	(0.01)	(844.02)
Net increase/(decrease) in Cash and Cash equivalents	1,960.50	(2005.72)	(45.22)
Cash and cash equivalents as at April 01, 2015	87.86	(5.82)	82.04
Effect of exchange rate on consolidation of Foreign Subsidiaries	48.38	4.98	53.36
Cash and cash Equivalents as at March 31, 2016	2,096.74	2,006.56	90.18

Notes to the Reconciliation of equity as at April 01, 2015 and March 31, 2016 and Total Comprehensive Income for the year ended March 31, 2016:

(a) Property, Plant and Equipment:

- (i) As per Ind AS 16, spare parts, stand- by equipment and servicing equipment are recognised as Property, Plant and Equipment ('PPE') when they meet the following criteria:

- Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- Are expected to be used during more than one period.

Based on the above provision, stores and spares satisfying above criteria are de-recognised from Inventory and capitalized as PPE from the date of purchase.

- (ii) Under IGAAP, Leasehold Land were classified as Fixed Assets as the standard on leases excluded Land. However, as per Ind AS 17, where the substantial risks and rewards incidental to ownership of an asset has not been transferred in the name of Company, the Company has classified such land under Operating Leases. The amount paid towards such leases has been shown as Prepayments under Other non-current assets.
- (iii) As per Ind AS 38, right to use jetty has been classified as Intangible asset as on the date of transition.
- (iv) As per Appendix A to Ind AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

(b) Investments:

The Company has designated investments other than Investment in Subsidiary, Joint Arrangements and Associates at Fair Value through Profit and Loss (FVTPL). Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognised in Retained Earnings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards (Contd.)

- (c) Fixed deposit with maturity greater than twelve months shown in IGAAP under other non-current assets have been reclassified as other non-current financial assets as per Schedule III to Companies Act, 2013.
- (d) Fixed deposit with maturity less than twelve months and those earmarked for debentures redemption and specific purpose have been reclassified from Cash and Cash equivalents to Other Bank Balances as per Schedule III to Companies Act, 2013.
- (e) **Financial Instruments:**
The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, currency swaps, principal only swaps and commodity fixed price swap contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively and Hedge accounting as permitted under Ind AS 109 and as per Company accounting policy is applied for the purpose of Accounting in the financial statements.
As per Ind AS 109, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- (f) **Loans/Other Financial Assets/Other Current Assets:**
(i) As per Schedule III, Security Deposits are to be classified under Loans or Other Non-current/Current Assets respectively. Accordingly, Security Deposits which are financial in nature are classified under Loans and other deposits are classified under Non-current/Current Assets respectively.
(ii) Under IGAAP, Loans and Advances were shown together under Loans and Advances. However, as per Schedule III, Loans are classified under other Non-current/Current Assets.
- (g) **Borrowings:**
As per Ind AS 109, the Company has classified Foreign Currency Loans as financial liabilities to be measured at amortised cost. The Company has executed derivative contracts to hedge foreign currency risk of borrowings. The borrowings have been restated as at the date of transition.
- (h) **Provisions:**
Under IGAAP, Provision for Asset Retirement Obligation is initially measured at the undiscounted amount to settle the obligation, however, Ind AS 37, requires that where the effect of time value of money is material, the amount of provision should be the present value of the expenditures expected to be required to settle the obligation.
- (i) For Forward Covers and Commodity Derivatives, MTM reclassified to Derivative Liability as on the date of transition. The resulting gains or losses as on the date of transition are included in Retained earnings.
- (j) **Deferred Tax:**
(i) IGAAP 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 IGAAP.
In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.
(ii) As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.
- (k) **Proposed Dividend:**
Under IGAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. In case of the Company, the declaration of dividend occurs after period end. Accordingly, proposed dividend has been reversed as at the date of transition and for financial year 2015-16 respectively and adjusted in retained earnings in financial year 2015-16 and 2016-17 respectively when paid.
- (l) **Sales Tax Deferment Loan:**
Under IGAAP, sales tax deferment loan is recognized at the original amount without imputing interest and disclosed as borrowings. As per Ind AS 109 and Ind AS 20, Sales Tax Deferment Loan results into an interest-free loan from the government. Accordingly, the Company has prospectively measured the Sales Tax Deferment Loan at its fair value which is the discounted amount of the loan computed using the market rate of interest for a similar loan for the period for which the entity is not required to deposit the sales tax amount with the government.
- (m) **Revenue from Operations:**
(i) Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2016.
(ii) Under IGAAP, revenue was presented net of excise duty. However, as per Schedule III to the Companies Act, 2013, revenue from operations is to be shown inclusive of excise duty. Accordingly, excise duty has been included in revenue from operations and shown separately as an expense.
- (n) **Sales Tax Deferment Loan:**
The Company has recognised the difference between the amount payable for Sales Tax Deferment Loan and its present value in Consolidated Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards (Contd.)

- (o) **Fair Valuation of Investments other than Investment in Subsidiary, Joint Arrangements and Associates:**
The Company has recognised the difference between the fair value of investments and IGAAP carrying amount in Other Income.
- (p) **Mines Restoration Expenses:**
Under IGAAP, Mines Restoration expense booked in financial year 2015-16 has been now reversed as it is accounted for as per Ind AS 16.
- (q) **Share Based Payments:**
Under IGAAP, the Company opted for the option to recognise the intrinsic value of the long-term incentive plan as an expense. Ind AS 102 requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period.
- (r) **Defined Benefit Liabilities:**
Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Consolidated Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.
- (s) **Other Expenses and Depreciation:**
- (i) **Stores and Spares:**
With reference to Point (a), Stores and Spares consumption has been reversed from Consolidated Statement of Profit and Loss which has been capitalized as PPE.
Depreciation on capitalized stores and spares till the date of transition has been accounted for in Retained Earnings and has been charged to Consolidated Statement of Profit and Loss for the year ended March 31, 2016.
 - (ii) **Derivative Instruments:**
 - In continuation to Point (e), the method of recognizing the resulting gain or loss on fair valuation of derivative instruments depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. The resulting gains or losses arising from changes in the fair value of derivatives as on the date of transition is included in Retained earnings and for the year ended March 31, 2016 in Consolidated Statement of Profit and Loss.
 - With reference to Point (i), the resulting gain or loss on Forward Covers is credited in Consolidated Statement of Profit and Loss for the year ended March 31, 2016.
 - (iii) **Leasehold Land Prepayments:**
With reference to Point (a)(iii), depreciation on leasehold land is reversed and charged as Rent expense in Consolidated Statement of Profit and Loss for the year ended March 31, 2016.
 - (iv) **Asset Retirement Obligation:**
With reference to Point (a), depreciation is charged in Consolidated Statement of Profit and Loss for the year ended March 31, 2016.
- (t) **Finance Costs:**
With reference to Point (a-iv), Ind AS 37 provides that where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as finance cost in Consolidated Statement of Profit and Loss for the year ended March 31, 2016.
- (u) **Share in Profit of Investment accounted using equity method:**
Investment in Associate and Joint Venture has been accounted for using equity method, accordingly, share in profit of associate has been accounted for in the Consolidated Statement of Profit and Loss and added to the carrying value of Investment accounted using equity method.
- (v) **Other Comprehensive Income:**
In accordance with Ind AS, Movement in Other Comprehensive Income includes effective portion of gains and loss on hedging instruments in a cash flow hedge and remeasurements on defined benefit liability which was charged to Consolidated Statement of Profit and Loss as per the IGAAP.

Note 62:

Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest ₹ in lakhs.

Signatures to Note '1' to '62'

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No: 105146W

For and on behalf of the Board of Directors

K. K. MAHESHWARI
Managing Director

S. B. MATHUR
Director

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO

S. K. CHATTERJEE
Company Secretary

Mumbai,
April 24, 2017

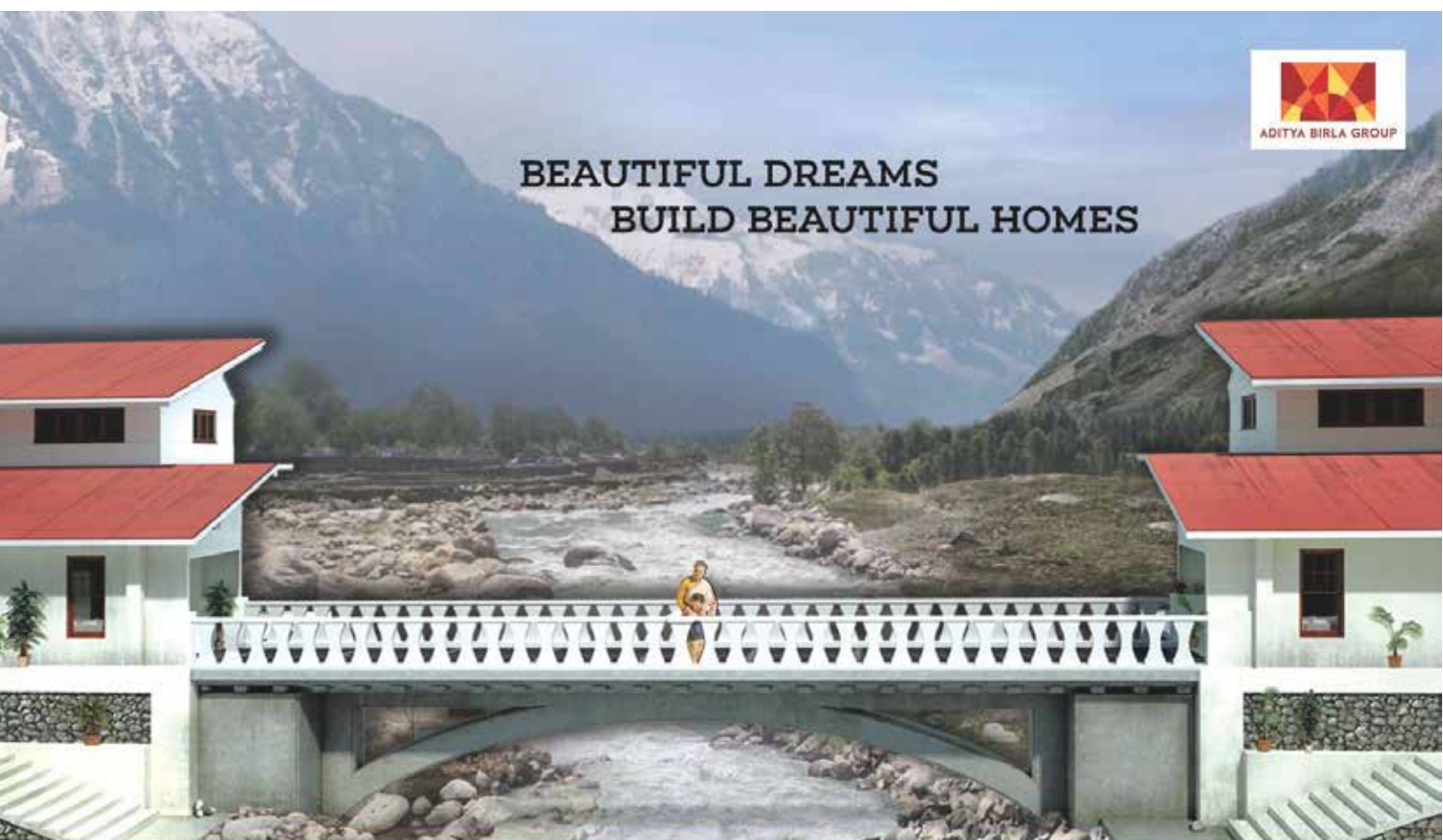
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