



THE RAMCO CEMENTS LIMITED

Corporate Office:

Auras Corporate Centre, V Floor,
98-A, Dr. Radhakrishnan Salai, Mylapore,
Chennai - 600 004, India.

Tel: +91 44 2847 8666 Fax: +91 44 2847 8676

Website: www.ramcocements.in

Corporate Identity Number: L26941TN1957PLC003566

21 August 2017

National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051.

Scrip Code:RAMCOCEM

BSE Limited,
Floor 25, "P.J.Towers",
Dalal Street, Mumbai – 400 001.

Scrip Code:500260

Dear Sirs,

Sub: Submission of Annual Report 2016-17

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of Annual Report of the Company for the financial year 2016-17 approved and adopted by the Members as per the provisions of the Companies Act, 2013 at the 59th Annual General Meeting of the Company held on Friday, the 4th August 2017, at 10.15 A.M. at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 108.

The Annual Report is also uploaded on the Company's website.

Thanking you,

Yours faithfully,

For **THE RAMCO CEMENTS LIMITED,**

K.Selvanayagam

K.SELVANAYAGAM
SECRETARY

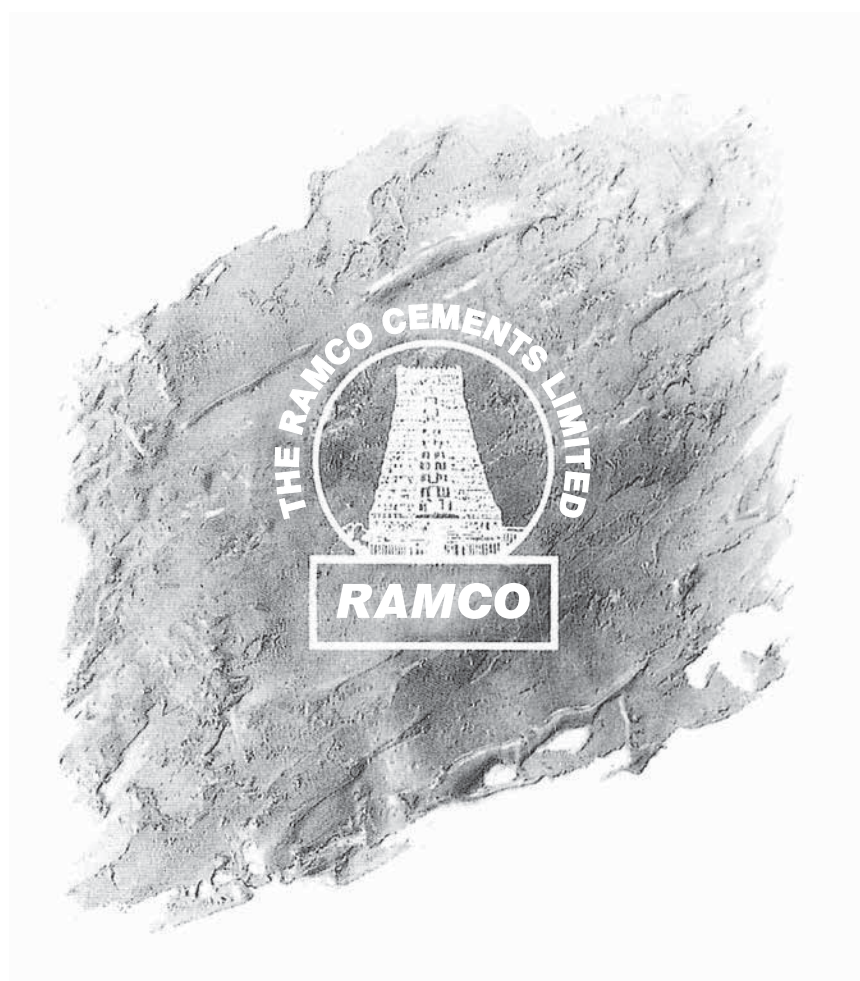
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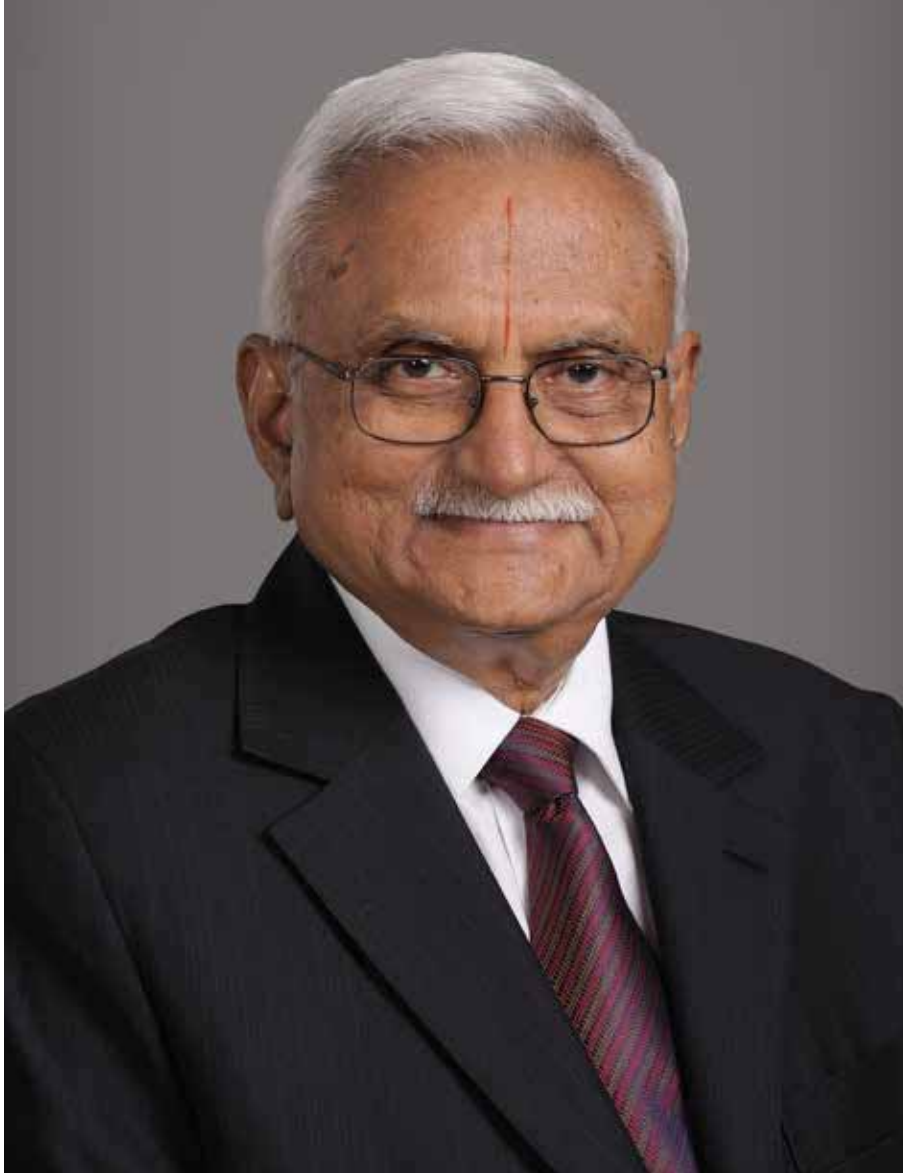
The Ramco Cements Limited

Annual Report

2016-2017



Our Beloved Chairman



SHRI. P.R. RAMASUBRAHMANEYA RAJHA

4.7.1935 - 11.5.2017

THE RAMCO CEMENTS LIMITED



Board of Directors

Shri.P.R.RAMASUBRAHMANEYA RAJHA, B.Sc.,
Chairman & Managing Director
(Upto 11-05-2017)

Shri.P.R.VENKETRAMA RAJA, B.Tech.,
Chairman & Managing Director
(From 04-06-2017)

Shri.R.S.AGARWAL, B.Sc., B.E.,

Shri.M.B.N.RAO, B.Sc. (Agri).

Shri.M.M.VENKATACHALAM, B.Sc. (Agri).

Smt. JUSTICE CHITRA VENKATARAMAN (Retd.)

Chief Executive Officer

Shri.A.V.Dharmakrishnan

Chief Financial Officer

Shri.S.Vaithiyanathan

Secretary

Shri.K.Selvanayagam

Corporate Office

98-A, Dr.Radhakrishnan Road, Mylapore
Chennai – 600 004, Tamil Nadu

Registered Office

“Ramamandiram”
Rajapalayam – 626 117, Tamil Nadu

Website

www.ramcocements.in

Corporate Identity Number

L26941TN1957PLC003566

Bankers

Canara Bank

Citi Bank

Deutsche Bank

HDFC Bank Ltd

ICICI Bank Ltd

IDBI Bank Ltd

IDFC Bank Ltd

Kotak Mahindra Bank Ltd

Standard Chartered Bank

The Federal Bank Ltd

The Hongkong and Shanghai
Banking Corporation Ltd

Yes Bank Ltd

Debenture Trustee

Axis Trustee Services Limited
2nd Floor, Wadia International Centre,
Pandurang Budhkar Marg, Worli,
Mumbai – 400 025.
Tel: 022-2425 5215
E-mail: mangalagowri.bhat@axistrustee.com
Website: www.axistrustee.com

Auditors

M/s.M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Unit-5, Ground Floor, Abirami Apartments
No.14, VOC Road, Cantonment
Tiruchirappalli – 620 001.

M/s.CNGSN & Associates LLP
Chartered Accountants
20, Raja Street, T.Nagar, Chennai – 600 017.

Cost Auditors

M/s.Geeyes & Co
A-3, III Floor, 56, Seventh Avenue
Ashok Nagar, Chennai – 600 083.

Secretarial Auditors

M/s.S.Krishnamurthy & Co
Company Secretaries
Old No:17, New No:16, Pattammal Street
Mandaveli, Chennai – 600 028.

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TEN YEAR HIGHLIGHTS

Description	AS (Previous GAAP)								Ind AS	
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Cement										
Capacity										
Integrated Cement Plants (lac tons)	79.90	99.90	104.90	104.90	104.90	124.90	124.90	124.90	124.90	124.90
Satellite Grinding Units (lac tons)	–	–	19.50	19.50	19.50	30.50	30.50	40.00	40.00	40.00
Production (lac tons)	58.50	65.30	80.30	73.05	75.22	84.75	85.90	76.96	72.33	83.11
Windfarm										
Capacity (MW)	136.00	181.59	185.59	159.19	159.19	159.19	125.95	125.95	125.95	125.95
Generation (lac units)	1426	2611	4115	3572	2855	3247	2667	2106	1643	2747
Gross Revenue from Operations (₹ in Crores)	2350.85	2829.07	3126.08	2997.24	3686.84	4429.73	4323.90	4628.78	4219.34	4607.03
Less: Excise Duty (₹ in Crores)	329.50	357.84	304.83	352.55	430.26	557.07	554.67	537.01	557.65	614.69
Net Revenue from Operations (₹ in Crores)	2021.35	2471.23	2821.25	2644.69	3256.58	3872.66	3769.23	3731.77	3661.69	3992.34
Operating Profit (₹ in Crores)	761.76	793.49	877.29	657.31	969.77	1047.30	648.76	800.12	1160.02	1219.20
Cash Generation (₹ in Crores)	639.16	628.52	644.97	435.65	811.32	868.79	460.63	606.31	978.16	1115.68
Profit After Tax (₹ in Crores)	408.29	363.52	353.68	210.98	385.11	403.65	137.70	242.35	542.19	649.29
Total Comprehensive Income (₹ in Crores)	–	–	–	–	–	–	–	–	540.15	648.05
Number of employees	2260	2447	2583	2593	2626	2787	2937	2883	2846	2883
Contribution to Exchequer (₹ in Crores)	610	711	809	839	1186	1423	1403	1418	1550	1779
Face value per share (₹)	10	1	1	1	1	1	1	1	1	1
Earnings per share (₹)	343	15	15	9	16	17	6	10	23	27
Dividend per share (₹)	40.00	2.00	2.00	1.25	2.50	3.00	1.00	1.50	3.00	3.00
Dividend payout (₹ in Crores) (*)	48.03	47.66	47.66	29.79	59.58	71.49	23.83	35.75	71.49	70.95
Dividend payout %	12	13	13	14	15	18	17	15	13	11
Operating profit ratio % (**)	37.69	32.11	31.10	24.85	29.78	27.04	17.21	21.44	31.68	30.54
Market price of share (₹)										
(a) High	5072	198	140	134	169	274	261	380	428	728
(b) Low	2500	55	70	85	76	134	135	205	279	396
(c) As on 31 st March	3349	71	122	102	154	254	215	305	400	673
Market capitalisation (₹ in Crores)	3986	1700	2897	2427	3659	6045	5117	7265	9520	16016
Net worth per share (₹)	799	52	65	73	86	100	104	111	130	157

Bonus shares were issued in the ratio of 1:1 in 1992-93, 1994-95 and 2008-09.

(*) Calculated on No. of shares of 23,65,16,630 as on 01-06-2017, for the year 2016-17.

(**) Operating profit ratio is computed on Net revenue from operations.

NOTICE TO THE MEMBERS

Notice is hereby given that the 59th Annual General Meeting of the Company will be held at 10.15 AM on Friday, the 4th August 2017 at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu to transact the following business:

ORDINARY BUSINESS

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT the Board’s Report and the Company’s Separate and Consolidated Statements of Profit and Loss for the year ended 31st March 2017, Balance Sheets as at that date and Cash Flow Statements for the year ended on that date and the Auditors’ Reports thereon be and are hereby considered and adopted.”

2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT a Dividend of ₹ 3/- per Share be and is hereby declared for the year ended 31st March 2017 and the same be paid to those shareholders whose names appear in the Register of Members and Register of Depositories as on 28th July 2017.”

3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that Shri.P.R.Venketrama Raja (DIN: 00331406), who retires by rotation, be and is hereby re-appointed as a Director of the Company.”

4. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT in terms of section 139, 142 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s.Ramakrishna Raja And Co., Chartered Accountants, holding Firm Registration No: 005333S and M/s.SRSV & Associates, Chartered Accountants, holding Firm Registration No: 015041S, be and are hereby appointed as Auditors of the Company [in place of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, and M/s.CNGSN & Associates LLP, Chartered Accountants, whose tenure as Auditors come to an end at the close of the 59th Annual General Meeting in terms of Section 139(2) of Companies Act, 2013] for five consecutive financial years commencing from the Financial Year 2017-2018 and to hold office from the conclusion of 59th Annual General Meeting till the conclusion of the 64th Annual General Meeting to be held in the year 2022, subject to ratification of their appointment by the Members at every intervening Annual General Meeting to be held after this Annual General Meeting.

RESOLVED FURTHER THAT each of the Auditors shall be paid for the financial year 2017-2018, a remuneration of

₹ 11,00,000/- (exclusive of Service Tax and Out-of-pocket expenses).

RESOLVED FURTHER THAT for the financial years 2018-2019, 2019-2020, 2020-2021 and 2021-2022, the Board of Directors are authorised to fix the remuneration based on the recommendation of the Audit Committee.”

SPECIAL BUSINESS

5. To consider and pass the following Resolution, as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, approval of the Company be and is hereby accorded to the appointment of Shri.P.R.Venketrama Raja (DIN:00331406) as Managing Director of the Company for a period of 5 years with effect from 04-06-2017, at a remuneration equivalent to 5% of the net profits of the Company.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, not being more than three such financial years over the entire tenure of five years, the Company has no profit or inadequate profit, the Managing Director shall be paid remuneration as approved by the Board and the Nomination and Remuneration Committee which shall not exceed the double of the applicable limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT when the Company is having no profit or inadequate profit, the Managing Director shall be eligible for the following perquisites which shall not be included in the computation of ceiling on the remuneration, in respect of those financial years:

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service and
- c. Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT in addition to the remuneration as aforesaid the Managing Director shall also be eligible for any fee that may be paid for attending Meetings of the Board or any Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorised to fix the components, quantum and periodicity of the remuneration payable to the Managing Director subject to the limits above.”



6. To consider and 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, read with the Companies (Prospectus and Allotment of Securities) Rules 2014 and pursuant to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and such other applicable Regulations, approval 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 include a Committee of the Board) for making offer(s) or invitation(s) to subscribe to Secured Non-Convertible Debentures including but not limited to subordinate debt, bonds, and/or other debt securities, etc., (hereinafter collectively referred as “Securities”) on a private placement basis, listed or unlisted in one or more tranches, during the period of one year from the date of passing this Special Resolution by the Members, upto a limit of ₹ 500 Crores, within the overall outstanding borrowing limits approved by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and are hereby authorised to determine the terms of the issue including the class of investors to whom such Securities to be issued, time, total amount to be raised by issuance of Securities, the number of Securities, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts, deeds, filings, matters and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as the Board may in its sole and absolute discretion deems fit and delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, as it may in its absolute discretion deem it necessary.”

7. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 4,00,000/- (Rupees Four lakhs only) exclusive of Service Tax and Out-of-pocket expenses, payable to M/s.Geeyes & Co., Cost Accountants appointed as the Cost Auditors of the Company by the Board of Directors, for the financial year 2017-18 for auditing the Cost Records relating to manufacture of cement and generation of wind energy, be and is hereby ratified.”

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
04-06-2017

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. **A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a Member.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Attendance slip is attached. Members, Proxies and Authorised Representatives are requested to bring the duly filled-in and signed, attendance slips to the Meeting.
4. The cut-off date will be 28th July 2017, for determining the eligibility to vote by remote e-voting or in the General Meeting.
5. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed/unpaid dividends lying with the Company for a period of over 7 years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed/unpaid dividends lying with the Company on the website of the Company (www.ramcocements.in), as also on the website of the Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are:

Year	Type of Dividend	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
2009-10	Final Dividend	02-08-2010	01-08-2017	31-08-2017
2010-11	Dividend	10-08-2011	09-08-2018	07-09-2018
2011-12	Interim Dividend	21-03-2012	20-03-2019	18-04-2019
	Final Dividend	02-08-2012	01-08-2019	30-08-2019
2012-13	1 st Interim Dividend	05-11-2012	04-11-2019	02-12-2019
	2 nd Interim Dividend	13-02-2013	12-02-2020	12-03-2020
	Final Dividend	29-07-2013	28-07-2020	26-08-2020

THE RAMCO CEMENTS LIMITED

Year	Type of Dividend	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
2013-14	Dividend	28-07-2014	27-07-2021	25-08-2021
2014-15	Dividend	06-08-2015	05-08-2022	01-09-2022
2015-16	Dividend	11-03-2016	10-03-2023	08-04-2023

In accordance with Section 124(6) of the Companies Act, 2013, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to IEPF. The Company has sent individual notices through Registered Post to the Shareholders, whose dividends are lying unclaimed for the last seven consecutive years or more, advising them to claim the dividend on or before 31st May 2017. The statement containing the details of the Shareholders and the shares due for transfer is also uploaded on the Company's website, www.ramcocements.in for information and necessary action by the Shareholders. Since the modalities for transfer of shares to IEPF with Depositories are not yet finalized by MCA, it has deferred its implementation. Hence, the shareholders concerned are requested to take immediate steps to claim the unclaimed dividend. In the event of the Shareholders not claiming the dividend and the shares are transferred to IEPF, the Shareholders are still entitled to claim the shares from IEPF by making an online application in Form No: IEPF-5 to the IEPF Authority. The procedure and the form are available at www.ramcocements.in and www.iepf.gov.in

6. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2016-17 are being sent to all the members whose E-mail IDs are registered with the Company/ Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website - www.ramcocements.in for their download.
7. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-mail address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialised shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company/Depository Participants.
8. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, [LODR] the Company is providing members remote e-voting facility to exercise their right to vote at the 59th Annual General Meeting (AGM) and the business may be transacted through such voting, through e-voting services provided by Central Depository Services (India) Limited (CDSL).

- II. The facility for voting, either through electronic voting system or ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The instructions for e-voting are as under:
 - i) To log on to the e-voting website www.evotingindia.com
 - ii) To Click on "Shareholders" tab.
 - iii) Now enter your User ID as given below:
 - * For CDSL: 16 Digits beneficiary ID,
 - * For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - * Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv) Next enter the Captcha Code as displayed and Click on Login.
 - v) PASSWORD
 - * If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
 - * If you are first time user follow the steps given below:
 - a. Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders).

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio No./Client ID in the PAN field.

In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. after the first two characters of the name in CAPITAL letters. Eg. If your name is Vasudevan with Folio No. 1 then enter VA00000001 in the PAN Field.
 - b. Please enter any one of the following details in order to login:

Date of Birth: Enter the Date of Birth as recorded in your demat account or in the Company records in dd/mm/yyyy format.



Dividend Bank Details: Please enter Dividend Bank Details as recorded in your demat account or in the Company records.

If both of the above details are not recorded with the depository or Company, please enter the User ID/Folio Number (mentioned in (iii) above) in the Dividend Bank details field.

- vi) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- viii) Click on the relevant EVSN for THE RAMCO CEMENTS LIMITED on which you choose to vote.
- ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take a print of the voting done by you by clicking on "Click here to Print" option on the Voting page. It need not be sent to the Company.
- xiv) If you have forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- xv) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the

login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- xvi) The facility for remote e-voting shall remain open from 9.00 AM on Tuesday, the 1st August 2017 to 5.00 PM on Thursday, the 3rd August 2017. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, viz. Friday, the 28th July 2017, may opt for remote e-voting. Voting shall not be allowed beyond 5.00 PM on 3rd August 2017.
- xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- IV. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 28-07-2017.
- V. Shri.K.Srinivasan, Chartered Accountant (Membership No. 021510), Partner, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- VI. The Chairman shall, at the annual general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiniser, by use of ballot or by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- VII. The scrutiniser shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Chennai
04-06-2017

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No: 5

With the sudden demise of our Managing Director, Shri.P.R.Ramasubrahmaneya Rajha, the position of Managing Director has become vacant. It is proposed to consider appointing Shri.P.R.Venketrama Raja (DIN:00331406), Director, as Managing Director of the Company for a period of 5 years.

Shri.P.R.Venketrama Raja aged 58, has a Bachelor's Degree in Chemical Engineering from University of Madras and Masters in Business Administration from University of Michigan, USA. He has been on the Board of The Ramco Cements Limited since 1985. He has more than 3 decades of Industrial Experience with specific knowledge in Textiles, Cement and Information Technology sectors. As a Member of the Board, he is responsible for guiding the Company in establishment of new units, selection of process and equipments and adoption of latest technologies since 1985, when the Company went for its first green field expansion in Jayanthipuram. He is also the Chairperson of Stakeholder Relationship Committee and Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Company.

The Nomination and Remuneration Committee at its meeting held on 04-06-2017 had recommended to the Board the appointment of Shri.P.R.Venketrama Raja as Managing Director of the Company and the Board of Directors at their meeting held on 04-06-2017, had approved the same, subject to the approval of the shareholders at the Annual General Meeting. The appointment is for a period 5 years commencing from 04-06-2017. The appointment is in accordance with Article 119A of the Articles of Association of the Company and the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

The Nomination and Remuneration Committee has also approved the remuneration in accordance with Schedule V of the Companies Act, 2013, which is as follows:

Terms of Remuneration:

- i. When the Company is having profit:
5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.
- ii. When the Company is having no profit or inadequate profit:
In any financial year during the currency of his tenure, not being more than three such financial years over the entire tenure of five years, the Company has no profit or inadequate profit, the Managing Director shall be paid remuneration as approved by the Board and the Nomination and Remuneration Committee which shall not exceed the double of the applicable limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

In addition, he shall be eligible for the following perquisites:

- a. Contribution to Provident Fund, Superannuation Fund

or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- c. Encashment of leave at the end of the tenure.

In addition to the above remuneration, he will also be eligible for any fee paid for attending Meetings of the Board or Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Companies Act, 2013.

It is proposed to authorise the Nomination and Remuneration Committee to fix the quantum and periodicity of the remuneration payable to the Managing Director subject to the limits mentioned in the Resolution.

As per Schedule V of the Companies Act, 2013, in the event the company has no profits or its profits are inadequate, the upper limit for remuneration payable to the Managing Director can be doubled, if the resolution passed by the Shareholders is a Special Resolution and the minimum remuneration approved is for a period not exceeding 3 years.

The appointment and the remuneration proposed fulfil the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of Government of India is not required.

Considering the contributions made by Shri.P.R.Venketrama Raja, Director, and his suitability, the Directors recommend the resolution for Members' approval.

Shri.P.R.Venketrama Raja is a Director in the following Companies:

1	Ramco Systems Limited
2	Ramco Industries Limited
3	Rajapalayam Mills Limited
4	The Ramaraju Surgical Cotton Mills Limited
5	Sri Vishnu Shankar Mills Limited
6	Sandhya Spinning Mill Limited
7	Sri Sandhya Farms (India) Pvt. Limited
8	Sri Saradha Deepa Farms Private Limited
9	Nalina Agricultural Farms Private Ltd
10	Ramco Systems Corporation, USA
11	Ramco Systems Ltd., Switzerland
12	Ramco Systems Sdn Bhd., Malaysia
13	Ramco Systems Pte. Ltd., Singapore
14	Sri Ramco Lanka (Private) Limited, Sri Lanka
15	Sri Ramco Roofings Lanka Private Limited – Sri Lanka
16	RCDC Securities and Investments Private Limited



17	Nirmala Shankar Farms & Estates Private Limited
18	Sri Nithyalakshmi Farms Private Limited
19	Ram Sandhya Farms Private Limited
20	RSL Enterprise Solutions (Pty) Limited, South Africa
21	Ramco Systems Canada Inc., Canada

22	Rajapalayam Textile Limited
23	Ramco Systems FZ-LLC
24	Ramco Systems Australia Pty Limited, Australia
25	Ramamandiram Agricultural Estate Private Ltd.
26	Lynks Logistics Limited

Shri.P.R.Venketrama Raja is a Member in the following Committees of the Boards of other Companies.

Sl. No	Name of the Company	Name of the Committee	Position Held (Chairman/Member)
1	Rajapalayam Mills Limited	Stakeholders Relationship Committee	Chairman
2	Rajapalayam Mills Limited	Corporate Social Responsibility Committee	Chairman
3	Ramco Industries Limited	Stakeholders Relationship Committee	Member
4	Ramco Industries Limited	Corporate Social Responsibility Committee	Member
5	Ramco Industries Limited	Risk Management Committee	Chairman
6	Ramco Systems Limited	Stakeholders Relationship Committee	Member
7	Ramco Systems Limited	Corporate Social Responsibility Committee	Chairman
8	Ramco Systems Limited	Allotment Committee	Member
9	Ramco Systems Limited	Fund Raising Committee	Member
10	Ramco Systems Limited	Rights Issue 2013 Committee	Member
11	The Ramaraju Surgical Cotton Mills Limited	Stakeholders Relationship Committee	Member

None of the Directors and Key Managerial Personnel except Shri.P.R.Venketrama Raja as appointee may be deemed to be concerned or interested in the Resolution.

I. General Information:

1	Nature of Industry			Cement
2	Date of Commencement of Business			31-07-1957
3	Financial performance based on given indicators			
	Year	Revenue from Operations ₹ in crores	Net Profit ₹ in crores	Dividend per share in ₹
	2016-17	4,607.03	648.05	3.00
	2015-16	4,219.34	540.15	3.00
	2014-15	3,731.77	242.35	1.50
4	Foreign investments or collaborations, if any - NIL			

II. Information about the appointee:

1	Background Details	Shri.P.R.Venketrama Raja is a Promoter and Director and has been on the Board of the Company since 1985.
	Age	58 years
	Qualification	Bachelor's Degree in Chemical Engineering from University of Madras and Masters in Business Administration from University of Michigan, USA.
	No. of Shares held in the Company	14,38,960 equity shares of ₹ 1/- each
2	Past Remuneration	No remuneration was paid to him, except for the sitting fees paid for attending Board/Committee Meetings.

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3	Recognition or awards	He was awarded Global Influencer of the Year at CONNECT 2016 by Confederation of Indian Industry, in recognition of his efforts in taking Indian products to the global stage.
4	Job profile and his suitability	He has 3 decades of industrial experience in companies, including cement and allied products and information technology.
5	Remuneration proposed	5% of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 and in case of inadequacy of profits, in any financial year, for a maximum of three such years, he shall be paid as remuneration, which shall not exceed the double of the applicable limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013. He will also be entitled for sitting fees for meetings of the Board or its Committees attended by him.
6	Comparative Remuneration profile	Remuneration is comparable with respect to industry, size of the Company, profile of the position and person.
7	Relationship with managerial personnel/Pecuniary relationship directly or indirectly with the Company	He is not related to any Director/Managerial Personnel of the Company. He has no pecuniary relationship other than the remuneration, he is entitled to receive.

III. Other Information:

1	Reasons of loss or inadequate profits	Not applicable, as the Company is continuously making profits.
2	Steps taken or proposed to be taken for improvement	
3	Expected increase in productivity and profits in measurable terms	

IV. Disclosures:

As required, the information are provided under Corporate Governance Section.

The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) LODR.

Item No. 6

As per the provisions of Section 42 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering securities or making invitation to subscribe securities on a private placement basis, is required to obtain the approval of the members by way of a Special Resolution.

The approval of the Members is being sought by way of a Special Resolution to enable the Company to borrow for financing capital expenditure and also for general corporate purposes by way of Secured, Redeemable, Non-Convertible Debentures ("SRNCDs"), sub-ordinated bonds and other debt securities on private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the SRNCDs, sub-ordinated bonds and other debt securities.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

Item No. 7

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of cement and generation of wind energy.

On the recommendation of the Audit Committee at its meeting held on 29-05-2017, the Board had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of cement and generation of wind energy, for the financial year 2017-18. The Board had approved a remuneration of ₹ 4,00,000/- (Rupees Four lakhs only) exclusive of Service Tax and Out-of-pocket expenses.

The remuneration to be paid to the cost auditor is required to be ratified by the members, in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.



BOARD'S REPORT

Your Directors have pleasure in presenting their 59th Annual Report and the Audited Accounts of the Company for the year ended 31st March 2017.

FINANCIAL RESULTS

(₹ in Crores)

SEPARATE FINANCIALS

	Year ended 31-03-2017	Year ended 31-03-2016
Total Revenue	4,607.03	4,219.34
Operating Profit: Profit before Interest, Depreciation and Tax (PBDIT)	1,219.20	1,160.02
Less: Interest	103.52	181.86
Profit before Depreciation and Tax (PBDT)	1,115.68	978.16
Less: Depreciation	265.53	304.79
Profit before tax	850.15	673.37
Less: Tax Expenses		
Current Tax	187.00	149.76
Excess Tax Provision related to earlier years written back	—	(23.84)
Deferred Tax	15.90	24.52
MAT Credit Recognition for Current Year	--	(19.26)
MAT Credit Recognition for Previous Year	(2.04)	--
Profit After Tax	649.29	542.19
Other Comprehensive Income for the year (Net of Tax of ₹ 1.24 crores)	(1.24)	(2.04)
Total Comprehensive Income for the year (TCI)	648.05	540.15

CAPITAL AND BUY-BACK

The paid up capital of the Company was ₹ 23,80,76,780/- consisting of 23,80,76,780 shares of ₹ 1/- each as on 31-03-2017.

The Board of Directors at their meeting held on 07-02-2017, approved a buy-back of shares upto a maximum size of ₹ 180 crores at a price not exceeding ₹ 720/- per share and maximum of 25 lakh shares. The buy-back was proposed to be carried out through Open Market purchases on the Stock Exchanges. As on the date of this report, the Company had purchased 15,60,150 Shares at an average rate of ₹ 671/- per share at a total cost of ₹ 104.71 crores. The Company had also completed

the extinguishment formalities of the shares bought back and consequently the paid up capital of the Company had become ₹ 23,65,16,630/- consisting of 23,65,16,630 shares of ₹ 1/- each.

The buy-back was commenced on 20-02-2017. The buy-back through Open Market purchases on the Stock Exchanges had to be open for a period of six months with an option to pre-close anytime if 50% of the buy-back size had been completed.

DIVIDEND

Your Directors have pleasure in recommending a dividend of ₹ 3/- per share on the equity capital of the Company, as against ₹ 3/- per share for the previous year. The recommendation of the dividend by the Directors is in accordance with the "Dividend Distribution Policy" of the Company.

TAXATION

An amount of ₹ 187 crores towards Current Tax and ₹ 12.62 crores towards Deferred Tax have been provided for the year under review.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

CEMENT DIVISION

PRODUCTION

Particulars	April 2016 to March 2017	April 2015 to March 2016	Change over previous year	
	(In Tons)	(In Tons)	(In Tons)	(In %)
Clinker	60,67,259	53,31,335	7,35,924	14
Cement	83,10,513	72,33,148	10,77,365	15

SALES

During the year under review, the sale of cement for the Company was at 83.48 lakh tons, compared to 71.99 lakh tons of the previous year, showing an increase of 16%. As against this, the overall growth of the cement market for the country for the year under review was about 5%.

In November 2016, Government of India announced Demonetisation scheme, as an important step towards cashless economy. The move cost liquidity constraints affecting the economy in general and the construction sector in particular, during the 3rd and 4th quarter of the year. The Company had been in cashless mode with regard to its transactions with customers and transporters for more than a decade. Hence the demonetisation, while impacted the reality sector, its effect on the Company was minimal.

In spite of the cash crunch affecting the off-take of cement, the Company was able to achieve the growth of 16% due to expansion of the market for the Company's products. While, the sale had been maintained in the core market of the Company which is South India, the Company had made inroads into Eastern markets.

THE RAMCO CEMENTS LIMITED

During the year under review, the Company has exported 1.39 lakh tons as against 1.52 lakh tons during the previous year. The export turnover of the Company for the year was ₹ 52.35 crores as against ₹ 57.93 crores of the previous year.

COST

The diesel price which was ₹ 50.09 per litre at the beginning of the year had increased to ₹ 62.48 per litre at the end of the year. This had increased the transportation cost of both raw materials and finished goods.

During the year, the cost of pet coke had increased. However, the inventories built up by the Company, when pet coke was available at lower prices had helped it to manage the fuel cost.

Transportation of clinker from cement plants to grinding unit in West Bengal by sea had contributed to savings in logistics management.

The reduction in borrowings by ₹ 693 crores, together with the reduction of 1.15% in the average interest rate has resulted in decrease in interest cost.

READY MIX CONCRETE DIVISION

The Division has produced 17,604 cu.m of concrete during the year, accounting for a revenue of ₹ 7.46 crores (Net of Excise Duty and VAT) as against 18,433 cu.m. of concrete accounting for a revenue of ₹ 8.31 crores during the previous year.

DRY MORTAR DIVISION

The Division has produced 39,851 tons of Dry Mortar during the year as against 43,457 tons produced during the previous year. The Division has sold 39,843 tons of Dry Mortar accounting for a revenue of ₹ 26.01 crores (Net of Excise Duty and VAT) during the year as against 42,035 tons of Dry Mortar accounting for a revenue of ₹ 27.99 crores during the previous year.

WIND FARM DIVISION

The Division has generated 2,747 lakh units as compared to 1,643 lakh units in the previous year. Out of this 2,658 lakh units were generated from the wind farms in Tamil Nadu and 89 lakh units from the wind farms in Karnataka. Out of the units generated in Tamil Nadu, 308 lakh units were meant for adjustment against the power consumed in our plants and balance 2,350 lakh units have been sold to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) for a value of ₹ 70.41 crores. The units generated in Karnataka were fully consumed at our Mathodu Cement Plant.

During the year under review, the generation was higher due to the following reasons:

- * On-set of wind season was as per schedule, compared to delay in the on-set in the previous year.
- * Better evacuation of power by TANGEDCO, as against frequent backing down of Wind Electric Generators during the

previous year. The evacuation of power during the year under review was best in a period of last five years.

The installed capacity of the wind farm of the company was 125.95 MW as on 31-03-2017 comprising of 108 Wind Electric Generators.

The income during the year from the Division was ₹ 72.44 crores as against ₹ 43.35 crores of the previous year.

POWER PLANTS

During the year under review, the 6 MW thermal power project at Alathiyur had been commissioned in the 3rd quarter of the year. The 6 MW project at Jayanthipuram is scheduled to be commissioned in the current year. On commissioning at Jayanthipuram, the aggregate capacity of the thermal power plants would go up to 175 MW.

The power generated from the thermal power plants were largely used for self-consumption in the cement manufacturing. During the year under review, the power sold from the surplus capacity of the thermal power plants had come down to 478 lakh units compared to 2,417 lakh units in the previous year. During substantial part of the year under review, TANGEDCO had stopped buying power from captive power producers on short term basis. The lower realisation for the power sold coupled with the decrease in units sold had resulted in lower profits from the power plant operations.

TURNOVER AND PROFITABILITY

The total revenue for the year was ₹ 4,607.03 crores as against ₹ 4,219.34 crores of the previous year, showing an increase of 9%. Despite decrease in realisation, the increase in revenue was due to the increase in sale volume.

The operating profit and profit after tax for the year had increased to ₹ 1,219.20 crores and ₹ 649.29 crores as against ₹ 1,160.02 crores and ₹ 542.19 crores respectively of the previous year. The Operating Profit and Net Profit for the year were the highest in the history of the Company.

The Total Comprehensive Income for the year under review is ₹ 648.05 crores as against ₹ 540.15 crores of the previous year.

SUBSIDIARY COMPANY

The Company has a subsidiary, by name, Ramco Windfarms Limited, whose capital is ₹ 1 crore, out of which 71.50% is held by our Company. The rest of the share capital is held by Ramco Group of Companies.

The installed capacity of the Subsidiary Company was 39.835 MW as on 31-03-2017 comprising of 127 Wind Electric Generators.

The Subsidiary Company had generated 451 lakh units of power as compared to 227 lakh units of power during the previous year.

The revenue and profit after tax for the subsidiary company for the year ended 31-03-2017 were ₹ 17.81 crores and ₹ 4.35 crores compared to ₹ 8.55 crores and ₹ 0.30 crores respectively of the previous year.



In accordance with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statements of the Subsidiary and Associates is attached in Form AOC-1 as Annexure - 1.

CONSOLIDATED FINANCIAL STATEMENTS

The Company has 6 Associate Companies, viz. Rajapalayam Mills Limited, Ramco Industries Limited, Ramco Systems Limited, Sri Vishnu Shankar Mill Limited, Lynks Logistics Limited and Madurai Trans Carrier Limited.

As per provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of LODR, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company. Accordingly, the consolidated financial statements incorporating the accounts of Subsidiary Company and Associate Companies, along with the Auditors' Report thereon, forms part of this Annual Report.

As per Section 136(1) of the Companies Act, 2013, the financial statements including consolidated financial statements are available at the Company's website at the following link at <http://www.ramcocements.in/financial-performance.aspx>

Separate audited accounts in respect of the subsidiary company are also made available at the Company's website. The Company shall provide a copy of separate audited financial statements in respect of its Subsidiary Company to any shareholder of the Company who asks for it.

The consolidated net profit after tax of the company amounted to ₹ 662.74 crores for the year ended 31st March 2017 as compared to ₹ 545.23 crores of the previous year.

The Consolidated Total Comprehensive Income for the year under review is ₹ 662.32 crores as against ₹ 542.23 crores of the previous year.

DIRECTORS

The Board noted with deep regret the sudden demise of Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director, on 11-05-2017. He had been on the Board of the Company since 1958 and as Managing Director since 1970. At that time, when he assumed the post of Managing Director, the Company's net worth was ₹ 1.93 crores and the turnover was ₹ 2.70 crores, with Ramasamy Raja Nagar as the only unit for the Company with a grinding capacity of 2 lakh tons per annum.

The Board also noted that under the leadership of Shri.P.R. Ramasubrahmaneya Rajha as Chairman & Managing Director, the Company's cement grinding capacity had risen to 16.50 million tons per annum. The Company is the 6th largest cement producer in the country. The Company had benefited by his foresightedness in bringing in new technology to cement industry, which was well acknowledged not only in India, but also abroad. He was also pioneer in introducing Dry Process Technology in cement industry

in India and also installing the largest kiln in the year 1974 itself. Under his leadership, the Company has made industry best profits and also rewarded handsomely all the stakeholders of the Company.

He was also known for his business ethics, value systems and philanthropic activities. He not only led the Ramco Cements but was also the guiding force for the entire Ramco Group of Companies, which has made the Group, one of the most respected industrial houses in the country.

The Board placed on record the immense contribution, Shri.P.R.Ramasubrahmaneya Rajha had made to the Company in its growth progress which had made RAMCO CEMENTS what it is today.

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors have appointed Shri.P.R.Venketrama Raja as Managing Director for a period of 5 years starting from 04-06-2017. His appointment has been included by way of a Special Resolution in the Notice convening the AGM for Members' approval. His reappointment consequent to retirement by rotation has also been included in the Notice convening the AGM as Ordinary Resolution.

The Independent Directors hold office for a fixed term of 5 years and are not liable to retire by rotation. No Independent Director has retired during the year. Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, it is reported that, there have been no changes in the Directors or Key Managerial Personnel during the year under review.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Audit Committee has four members, out of which three are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

In accordance with Section 178(3) of the Companies Act, 2013 and based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and Other Employees. The objective of the Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the Company.

As required under Regulation 25(7) of LODR, the Company has programmes for familiarisation for the Independent Directors about the nature of the industry, business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2) of LODR, the details of the Familiarisation Programme for Independent Directors

THE RAMCO CEMENTS LIMITED

are available at the Company's website, at the following link at <http://www.ramcocements.in/Familiarisation.aspx>

The details of the familiarisation programme are explained in the Corporate Governance Report also.

Board Evaluation

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 25(4) of LODR, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters. Pursuant to Schedule II, Part D of LODR, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of reappointment of Independent Director.

Meetings

During the year four Board Meetings were held. In accordance with Clause 9 of Secretarial Standard 1, the details of the number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director are given in the Corporate Governance Report.

PUBLIC DEPOSITS

The Company had unclaimed fixed deposits amounting to ₹ 2 lakhs at the beginning of the year. The Company has decided not to accept fresh deposits from 01-04-2014 and to avail the option provided under Section 74 of the Companies Act, 2013 to repay all the existing deposits by complying with the formalities required in this regard. Accordingly, during the year, the Company has repaid deposits to an extent of ₹ 1 lakh together with the accrued interest thereon. An amount of ₹ 1 lakh representing 7 deposits remained unclaimed as on 31-03-2017. Subsequently 2 deposits for an aggregate value of ₹ 0.24 lakhs together with accrued interest thereon were transferred to Investor Education and Protection Fund, in accordance with Section 125(2)(i) and (k) of Companies Act, 2013.

ORDERS PASSED BY REGULATORS

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is here by confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, the details of loans, guarantees and investments are provided under Note No.52(c)(3), 52(c)(7) and 52(a)(30) of Disclosures forming part of Separate financial statements.

AUDITS

STATUTORY AUDIT

As per the provisions of Section 139 of the Companies Act, 2013, the term of Office of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, and M/s.CNGSN & Associates LLP, Chartered Accountants, come to an end at the close of the 59th Annual General Meeting of the Company.

M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, were the Auditors of the Company since 1997-1998 and M/s.CNGSN & Associates LLP, Chartered Accountants, were the Auditors of the Company since 2003-2004. The Board of Directors wish to place on record their sincere appreciation for the services rendered by M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, and M/s.CNGSN & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company, during their association with the Company.

Subject to the approval of the Members of the Company at the ensuing 59th Annual General Meeting, the Board of Directors have recommended the appointment of M/s.Ramakrishna Raja And Co., Chartered Accountants and M/s.SRSV & Associates, Chartered Accountants, as the Statutory Auditors of the Company, pursuant to Section 139 of the Companies Act, 2013. The Audit Committee at its meeting held on 29-05-2017 had recommended their appointment as Statutory Auditors, pursuant to Section 139(11) of the Companies Act, 2013. Written consents from the incoming auditors have been obtained, confirming that they satisfy the legal requirements for their appointment. The proposal relating to their appointment has been included in the notice convening the 59th Annual General Meeting of the Company. They shall hold office from the conclusion of 59th Annual General Meeting to the conclusion of 64th Annual General Meeting and the matter relating to the Auditors' appointment will be placed before the Members for their ratification at every intervening Annual General Meeting.

The report of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, and M/s.CNGSN & Associates LLP, Chartered Accountants, viz. the Statutory Auditors for the year ended 31st March 2017 does not contain any qualification, reservation or adverse remark.

COST AUDIT

The Board of Directors had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of cement and generation of wind energy for the years 2016-17 at a remuneration of ₹ 4 lakhs.



The remuneration of the cost auditor for the year 2017-18 is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter relating to their remuneration had been included in the Notice convening the 59th Annual General Meeting scheduled to be held on 04-08-2017, for ratification by the Members.

The Cost Audit Report for the financial year 2015-16 due to be filed with Ministry of Corporate Affairs by 30-09-2016, had been filed on 30-08-2016. The Cost Audit Report for the financial year 2016-17 is due to be filed within 180 days from the closure of the financial year and will be filed within the stipulated period.

SECRETARIAL AUDIT

M/s.S.Krishnamurthy & Co., Company Secretaries, have been appointed to conduct the Secretarial Audit of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended 31st March 2017 is attached as Annexure – 2. The report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is attached herewith as Annexure – 3.

CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in LODR. As required under Schedule V(C) of LODR, a Report on Corporate Governance being followed by the Company is attached as Annexure – 4. As required under Schedule V(E) of LODR, a Certificate from the Secretarial Auditors confirming compliance is also attached as Annexure – 5.

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy which is based on the philosophy that “As the Organisation grows, the Society and Community around it also grows.”

The Company has undertaken various projects in the areas of education, health, rural development, water and sanitation, promotion and development of traditional arts, protection of national heritage, livelihood enhancement projects, etc. largely in accordance with Schedule VII of the Companies Act, 2013.

The CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2016-17 is ₹ 7.96 crores. As against this, the Company has spent ₹ 7.28 crores on CSR, leaving a shortfall of ₹ 0.68 crores. Because of want of identification of projects, the shortfall had occurred. However, the company had spent a sum of ₹ 0.44 crores on other social causes and projects, which do

not qualify under the classifications listed out in Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014, is attached as Annexure – 6.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of LODR, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The policy is available at the Company's website.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of LODR, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimisation of risk thereof.

RELATED PARTY TRANSACTIONS

Prior approval/omnibus approval is obtained from the Audit Committee for all Related Party Transactions and the transactions are also periodically placed before the Audit Committee for its approval. The particulars of contracts entered into by the Company during the year as per Form AOC-2 is enclosed as Annexure -7. No transaction with the related party is material in nature, in accordance with Company's "Related Party Transaction Policy" and Regulation 23 of LODR. In accordance with Ind AS-24, the details of transactions with the related parties are set out in the Disclosures forming part of Financial Statements.

As required under Regulation 46(2)(g) of LODR, the Related Party Transaction Policy is disclosed in the Company's website and its weblink is - <http://www.ramcocements.in/pdf/files/policies/RELATED%20PARTY%20TRANSACTION%20POLICY%202015.pdf>

As required under 46(2)(h) of LODR, the Company's Material Subsidiary Policy is disclosed in the Company's website and its weblink is - <http://www.ramcocements.in/pdf/files/policies/MATERIAL%20SUBSIDIARY%20POLICY.pdf>

INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification, the Company, its subsidiary and associate companies had adopted Ind AS with effect from 01-04-2016. The Company's financial results for the previous year ended 31-03-2016 had also been recast in accordance with Ind AS.

FUTURE OUTLOOK

The Union Budget for the year 2017-2018 has focussed on infrastructure development, housing sector and improving climate for new investments.

THE RAMCO CEMENTS LIMITED

Normal monsoon is predicted for the year compared to lower than average monsoon for the year 2016-2017. The liquidity has improved post demonetisation, which augurs well for the construction sector.

The country is all set to welcome the Goods and Services Tax, a single tax to replace the existing Central and State multi taxes and levies. This is expected to bring ease of business and transparency.

All the above factors are favourable for the sustained growth of the economy, specifically construction and infrastructure.

As all our plants are fully equipped with railway siding, stand-by power back up facility and are supported with grinding units, our Company will be able to take full advantage of the economic momentum in the coming years.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure – 8.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration, are provided in Annexure – 9.

INDUSTRIAL RELATIONS & PERSONNEL

The Company has 2,883 employees as on 31-03-2017. Industrial relations in all the Units continue to be cordial and healthy. Employees at all levels are extending their full support and are actively participating in the various programmes for energy conservation and cost reduction. There is a special thrust on Human Resources Development with a view to promoting creative and group effort.

AWARDS

The 4th Indian Cement Review Conclave had bestowed “Lifetime Achievement Award” to our former Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha in December 2016 at Mumbai.

The Company had won many awards in Mines Environment and Mineral Conservation, Environmental Health and Safety, Mines Safety, Quality Circles, Kaizen, 5S, etc. during the year.

5 STAR RATING

The Pudukalayam North Mines of Alathiyur Plant has won the 5 STAR rating instituted by Ministry of Mines, Government of India. The rating is the maximum in its scale of 1 to 5. We are the first Company in Tamil Nadu to receive such a highest rating for the mines. The award has been given based on the following parameters.

- * The management of impact by carrying out scientific and efficient mining.
- * Addressing social impacts of our resettlement and rehabilitation requirements for taking up mining activities.
- * Local community engagements and welfare programmes.
- * Steps taken for progressive and final mine closure.
- * Adoption of international standards.

The award was presented to the Company by Shri.Narendra Singh Tomar, Honourable Minister for Mines, Government of India, in the presence of Dr.Raman Singh, Chief Minister of Chattisgarh at the National Mining Enclave held at Raipur in July 2016.

NATIONAL AWARDS

The Ramasamy Raja Nagar, Alathiyur and Ariyalur units had won the “National Award for Excellence in Energy Management – 2016” at the National level competition conducted by the Confederation of Indian Industry in August 2016. The Alathiyur unit is receiving this award for the 13th time. The awards are given in recognition of incremental improvement in fuel and power consumption, compared to the previous year. During assessment, Confederation of Indian Industry had also taken into account, the efforts put in by the Company to conserve the mineral resources and environment protection.

GREENPRO CERTIFICATION

Confederation of Indian Industry’s Green Products and Services Council has awarded “GreenPro” Certification to our Company’s Product – Ramco Supergrade, the Portland Pozzolana Cement.

The product was evaluated on the following criteria.

1. Product Design
2. Raw Materials
3. CO₂ Emission per tonne of Clinker
4. Manufacturing Process
5. Life Cycle Approach
6. Product Stewardship
7. Innovation

The award was presented to the Company by Mr.Tai Lee Siang of World Green Building Council, Singapore, at the Green Building Congress 2016, held at Mumbai in October 2016.

SHARES

The Company’s shares are listed in BSE Limited and National Stock Exchange of India Limited.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that

- (a) they had followed the applicable accounting standards along with proper explanation relating to material departures, if any,



in the preparation of the annual accounts for the year ended 31st March 2017;

- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2017 and of the profit of the company for the year ended on that date;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

Chennai
04-06-2017

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

Annexure - 1

FORM AOC – 1

[Pursuant to section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of Subsidiary and Associate Companies

PART A – SUBSIDIARY COMPANY

(₹ In Crores)

Particulars	2016-17
Name of Subsidiary Company	Ramco Windfarms Limited
The date since when subsidiary was acquired	26-11-2013
Reporting Currency	INR
Share Capital	1.00
Reserves & Surplus	5.78
Total Assets	51.63
Total Liabilities	44.85
Investments	--
Turnover/Total Income	17.81
Profit/(Loss) before Taxation	5.85
Provision for Taxation	1.50
Profit/(Loss) after Taxation	4.35
Proposed Dividend	--
Percentage of Shareholding	71.50%

PART B – ASSOCIATE COMPANIES

Particulars	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17
Name of the Associate Company	Madurai Trans Carrier Limited	Ramco Industries Limited	Ramco Systems Limited	Rajapalayam Mills Limited	Sri Vishnu Shankar Mill Limited	Lynks Logistics Limited
Latest Audited Balance Sheet Date	31-03-2017	31-03-2017	31-03-2017	31-03-2017	31-03-2017	31-03-2017
Date on which the Associate was associated or acquired	18-04-2015	01-04-2016	01-04-2016	01-04-2016	01-04-2016	01-04-2016
No. of Shares held as on 31-03-2017	5,37,50,000	1,33,72,500	5417810	25600	2100	31900000
Amount of Investment in Associate as on 31-03-2017 (₹ in crores)	5.37	20.53	90.56	0.29	0.01	3.19
Extent of Shareholding % as on 31-03-2017	29.86	15.43	17.82	0.35	0.14	45.57
Description of how there is significant influence	Note	Note	Note	Note	Note	Note
Reason why associate is not consolidated	Not applicable	Not applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net worth attributable to Shareholding (₹ in crores)	20.07	2,710.27	540.74	1,488.24	152.17	4.95
Profit/(Loss) for the year (Consolidated) (₹ in crores)	(0.03)	208.72	10.32	145.07	13.57	(2.03)
a) Considered in Consolidation (₹ in crores)	(0.01)	9.79	1.84	0.34	0.00	(0.92)
b) Not Considered in Consolidation (₹ in crores)	(0.02)	198.93	8.48	144.75	13.57	(1.11)

Note: There is significant influence, because of shareholding/common directors.

As per our report annexed
For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
04-06-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Chairman & Managing Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary

**Form MR-3**Secretarial Audit Report for the financial year ended 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 of,
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
Ramamandiram, Rajapalayam,
Virudhunagar District – 626 117

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by THE RAMCO CEMENTS LIMITED (hereinafter called “the Company”) during the financial year from 1st April 2016 to 31st March 2017 (the year/audit period/period under review).

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company’s corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the books, papers, minute books and other records maintained by the Company and furnished to us, forms/returns filed and compliance related action taken by the Company during the year as well as after 31st March 2017 but before the issue of this audit report;
- (ii) Our observations during our visits to the corporate office and two of the Company’s factories;
- (iii) Compliance certificates confirming compliance with all laws applicable to the Company given by the key managerial personnel/senior managerial personnel of the Company and taken on record by the Audit Committee/Board of Directors; and
- (iv) Representations made, documents shown and information provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March 2017 the Company, to the extent, in the manner and subject to the reporting made hereinafter:

- (i) Has complied with the statutory provisions listed hereunder; and
- (ii) Has Board processes and compliance mechanism in place.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – A.

1. Compliance with specific statutory provisions

We further report that:

- 1.1 We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated

during the year according to the applicable provisions/clauses of:

- (i) The Companies Act, 2013 and the rules made thereunder (the Act).
- (ii) The Companies Act, 1956 and the rules made thereunder.
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- (iv) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Regulations”):-
 - (a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The following laws that are specifically applicable to the Company (Specific laws):
 - (a) The Mines Act, 1952 and the rules made thereunder;
 - (b) Mines and Minerals (Development and Regulation) Act, 1957 and the rules made thereunder; and
 - (c) Electricity Act, 2003
- (vii) The listing agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) (Agreements).
- (viii) Secretarial Standards (SS-1) on “Meetings of the Board of Directors” and Secretarial Standards (SS-2) on “General Meetings” issued by The Institute of Company Secretaries of India (Standards).

- 1.2 During the period under review, and also considering the compliance related action taken by the Company after 31st March 2017 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

THE RAMCO CEMENTS LIMITED

- (i) Complied with the applicable provisions/clauses of the Acts, Rules, SEBI Regulations, Specific laws and Agreements specified in sub-paragraphs (i) to (vii) of paragraph 1.1 above; and
- (ii) Generally complied with applicable provisions of the Standards mentioned under sub-paragraph (viii) of paragraph 1.1 above.

1.3 We are informed that, during/in respect of the year, the Company was not required to comply with the following laws/rules/regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/returns under:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

2. Board processes:

We further report that during the year/as at 31st March 2017 as the context indicates:

- 2.1 The Board of Directors of the Company was duly constituted with one Executive Director, one Non-Executive Non-Independent Director and four Independent Directors including one Woman Director.
- 2.2 There was no change in composition of the Board of Directors during the year. At the 58th Annual General Meeting held on 4th August 2016 the members approved:
 - (i) The re-appointment of the retiring director; and
 - (ii) The re-appointment of Chairman and Managing Director for a period of three years with effect from 1st April 2017.
- 2.3 Adequate notice was given to all the directors to enable them to plan their schedule for the Board meetings.
- 2.4 Notices of Board meetings were sent at least seven days in advance.
- 2.5 Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings and consent of the Board for so circulating them was duly obtained as required under the Secretarial Standards:

- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts/results, unaudited financial results and connected papers; and

- (ii) Additional subjects/information/presentations and supplementary notes.

2.6 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.7 We noted from the minutes that, at the Board meetings:

- (i) Majority decisions were carried through; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

3 Compliance mechanism

We further report that:

- 3.1 There are reasonably adequate systems and processes of the Company commensurate with its size and operations and to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is taking steps to further strengthen the compliance monitoring systems.

4 Specific events/actions

- 4.1 During the year, the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and standards took place:
 - (i) The Board of Directors at their meeting held on 7th February 2017 approved the buy-back of not more than 25 lakh equity shares of ₹1/- through open market operations during the period from 20th February 2017 to 18th August 2017 at a price not exceeding ₹ 720/- per equity share, upto a maximum size of ₹ 180 crores. The Company has an option to pre-close the buy-back period once the buy-back size reaches ₹ 90 crores. The Company has not bought-back any equity shares upto 31st March 2017; and
 - (ii) Secured non-convertible debentures amounting to ₹ 300 crores, have been redeemed during the year.

For S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.

Date : 30th May 2017
Place : Chennai

Membership No: F6312
Certificate of Practice No: 2215



Annexure – A to Secretarial Audit Report of even date

To,
The Members,
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
“Ramamandiram”, Rajapalayam,
Virudhunagar District – 626 117

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2017 is to be read along with this letter

1. The Company's management is responsible for the maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming and opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2017 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on Independent legal/professional opinion obtained as being in compliance with law.

5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
7. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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 S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.

Membership No: F6312
Certificate of Practice No: 2215

Date : 30th May 2017
Place : Chennai

Annexure - 3

Form 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	L26941TN1957PLC003566
ii	Registration Date	03-07-1957
iii	Name of the Company	THE RAMCO CEMENTS LIMITED
iv	Category/Sub-Category of the Company	Public Limited Company
v	Address of the Registered Office and contact details	“RAMAMANDIRAM”, RAJAPALAYAM – 626 117.
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Share transfer is being carried out in-house at, “Auras Corporate Centre”, 5 th Floor, 98-A, Dr.Radhakrishnan Road, Mylapore, Chennai – 600 004, Tamil Nadu. Tel.: 044-2847 8666

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the company:

No	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	Cement	23942	95.91

THE RAMCO CEMENTS LIMITED

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Ramco Windfarms Limited	U40109TN2013PLC093905	Subsidiary	71.50	2(87)(ii)
2	Madurai Trans Carrier Limited	U62100TN2013PLC094059	Associate	29.86	2(6)
3	Ramco Industries Limited	L26943TN1965PLC005297	Associate	15.43	2(6)
4	Ramco Systems Limited	L72300TN1997PLC037550	Associate	17.82	2(6)
5	Rajapalayam Mills Limited	L17111TN1936PLC002298	Associate	0.35	2(6)
6	Sri Vishnu Shankar Mill Limited	U17301TN1981PLC008677	Associate	0.14	2(6)
7	Lynks Logistics Limited	U60200TN2015PLC103367	Associate	45.57	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding

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	7998340	0	7998340	3.36	7998340	0	7998340	3.36	0
b) Central Govt)									
c) State Govt(s)									
d) Bodies Corporate	92707220	0	92707220	38.94	92707220	0	92707220	38.94	0
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	100705560	0	100705560	42.30	100705560	0	100705560	42.30	0
(2) Foreign									
a) NRIs – Individuals									
b) Other Individuals									
c) Bodies Corporate									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)									
Total shareholding of Promoter (A) = A(1) + A(2)	100705560	0	100705560	42.30	100705560	0	100705560	42.30	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	38303942	3000	38306942	16.10	38840462	3000	38843462	16.32	0.22
b) Banks/FI	466999	13000	479999	0.20	6100794	13000	6113794	2.57	2.37
c) Central Govt									
d) State Govt(s)	0	8000000	8000000	3.36	0	8000000	8000000	3.36	0
e) Venture Capital Funds									
f) Insurance Companies	6342821	0	6342821	2.67	0	0	0	0	-2.67
g) FIIs	37835462	2000	37837462	15.89	34560459	2000	34562459	14.52	-1.37
h) Foreign Venture Capital Funds									
i) Other									
Sub-total (B)(1)	82949224	8018000	90967224	38.22	79501715	8018000	87519715	36.77	-1.45



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	
2. Non-Institutions									
a) Bodies Corporate									
i) Indian *	15392893	116600	15509493	6.51	15846778	116600	15963378	6.70	0.19
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5434707	1408000	6842707	2.87	23289453	3900917	27190370	11.42	8.55
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	19880506	4171290	24051796	10.10	5289757	1408000	6697757	2.81	-7.29
c) Others									
Sub-total (B)(2)	40708106	5695890	46403996	19.48	44425988	5425517	49851505	20.93	1.45
Total Public Shareholding (B) = (B)(1) + (B)(2)	123657330	13713890	137371220	57.70	123927703	13443517	137371220	57.70	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	224362890	13713890	238076780	100	224633263	13443517	238076780	100	0

* Note: Includes shares in Unclaimed Shares Suspense Account. Opening - 3,25,600; Closing - 3,25,600

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	Ramco Industries Limited	49312420	20.71		49312420	20.71		0
2	Rajapalayam Mills Limited	32905000	13.82		32905000	13.82		0
3	Sri Vishnu Shankar Mill Limited	3883200	1.63		3883200	1.63		0
4	The Ramaraju Surgical Cotton Mills Ltd.	3624000	1.52	1.52	3624000	1.52	1.52	0
5	Sudharsanam Investments Limited	2982600	1.25		2982600	1.25		0
6	Sri.P.R.Ramasubrahmaneya Rajha (HUF)	2030000	0.85		2030000	0.85		0
7	Sri.P.R.Ramasubrahmaneya Rajha	1755840	0.74		1755840	0.74		0
8	Smt.Saradha Deepa	1000000	0.42		1000000	0.42		0
9	Sri.P.R.Venketrama Raja	1000000	0.42	0.39	1000000	0.42	0.39	0
10	Smt.Nalina Ramalakshmi	1000000	0.42		1000000	0.42		0
11	Ramachandra Raja Chittammal	736000	0.32		736000	0.32		0
12	Smt.R.Sudarsanam	340500	0.14		340500	0.14		0
13	Sri.S.R.Srirama Raja	120000	0.05		120000	0.05		0
14	Sri.N.R.K.Ramkumar Raja	16000	0.01		16000	0.01		0
Total		100705560	42.30	1.91	100705560	42.30	1.91	0

iii) Change in Promoters' Shareholding - NIL

THE RAMCO CEMENTS LIMITED

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

SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company			No. of Shares	% of total shares of the Company
1	The Governor, Government of Tamil Nadu	8000000	3.36	01-04-2016		8000000	3.36
		8000000	3.36	31-03-2017			
2	Amrit Petroleums Pvt Ltd	6000000	2.52	01-04-2016			
				22-04-2016	-995500	5004500	2.10
				13-01-2017	-1000000	4004500	1.68
				10-03-2017	-150000	3854500	1.62
				17-03-2017	-305000	3549500	1.49
		3549500	1.49	31-03-2017			
3	Aberdeen Global-Asian Smaller Companies Fund	4292079	1.80	01-04-2016			
				08-04-2016	-584739	3707340	1.56
				22-04-2016	-18626	3688714	1.55
				29-04-2016	-12138	3676576	1.54
				06-05-2016	-219236	3457340	1.45
				13-05-2016	-27500	3429840	1.44
				20-05-2016	-162500	3267340	1.37
				27-05-2016	-25618	3241722	1.36
				03-06-2016	-224382	3017340	1.27
				10-06-2016	-250000	2767340	1.16
				18-11-2016	-220000	2547340	1.07
				10-02-2017	-93709	2453631	1.03
				17-02-2017	-201291	2252340	0.95
		2252340	0.95	31-03-2017			
4	Aberdeen Global-Emerging Markets Smaller Companies Fund	3973723	1.67	01-04-2016			
				08-04-2016	-236510	3737213	1.57
				27-05-2016	-30742	3706471	1.56
				03-06-2016	-269258	3437213	1.44
				10-06-2016	-108858	3328355	1.40
				17-06-2016	-111142	3217213	1.35
				10-02-2017	-220494	2996719	1.26
				17-02-2017	-84428	2912291	1.22
				24-02-2017	-95078	2817213	1.18
		2817213	1.18	31-03-2017			
5	Kotak Select Focus Fund	3600000	1.51	01-04-2016		3600000	1.51
				03-06-2016	25000	3625000	1.52
				07-10-2016	14275	3639275	1.53
				04-11-2016	15725	3655000	1.54
				11-11-2016	10191	3665191	1.54
				18-11-2016	34809	3700000	1.55
				25-11-2016	50000	3750000	1.58
				17-02-2017	50000	3800000	1.60
				10-03-2017	75000	3875000	1.63
		3900000	1.64	31-03-2017	25000	3900000	1.64



SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company			No. of Shares	% of total shares of the Company
6	The New India Assurance Company Limited	3330589	1.40	01-04-2016		3330589	1.40
		3330589	1.40	31-03-2017			
7	Franklin Templeton Investment Funds	3290000	1.38	01-04-2016		3290000	1.38
				13-05-2016	-45600	3244400	1.36
				20-05-2016	-416885	2827515	1.19
				27-05-2016	-55344	2772171	1.16
				03-06-2016	-338811	2433360	1.02
				10-06-2016	-279360	2154000	0.90
				24-06-2016	-82252	2071748	0.87
				30-06-2016	-364100	1707648	0.72
				08-07-2016	-628800	1078848	0.45
				15-07-2016	-389400	689448	0.29
				22-07-2016	-121800	567648	0.24
				29-07-2016	-283300	284348	0.12
				05-08-2016	-284348	0	0.00
8	The Oriental Insurance Company Limited	3012232	1.27	01-04-2016		3012232	1.27
				08-04-2016	-30000	2982232	1.25
				15-04-2016	-36055	2946177	1.24
				22-04-2016	-23945	2922232	1.23
				06-05-2016	-57937	2864295	1.20
				13-05-2016	-45560	2818735	1.18
				20-05-2016	-65825	2752910	1.16
				27-05-2016	-49674	2703236	1.14
				03-06-2016	-49501	2653735	1.11
				10-06-2016	-10000	2643735	1.11
				24-06-2016	-57903	2585832	1.09
				30-06-2016	-47097	2538735	1.07
				08-07-2016	-9654	2529081	1.06
				15-07-2016	-20053	2509028	1.05
				22-07-2016	-28798	2480230	1.04
				29-07-2016	-13500	2466730	1.04
				05-08-2016	-17000	2449730	1.03
				12-08-2016	-18000	2431730	1.02
				26-08-2016	-22800	2408930	1.01
				02-09-2016	-32500	2376430	1.00
				30-09-2016	-5000	2371430	1.00
				07-10-2016	-21412	2350018	0.99
				14-10-2016	-5000	2345018	0.98
				21-10-2016	-19580	2325438	0.98
				11-11-2016	-14357	2311081	0.97
				27-01-2017	-22500	2288581	0.96
				03-02-2017	-22500	2266081	0.95
		2266081	0.95	31-03-2017			

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SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company			No. of Shares	% of total shares of the Company
9	SBI Blue Chip Fund	2902056	1.22	01-04-2016		2902056	1.22
		2902056	1.22	31-03-2017			
10	Aberdeen Emerging Markets Smaller Companies Fund	2845952	1.20	01-04-2016		2845952	1.20
				08-04-2016	-11189	2834763	1.19
		2834763	1.19	31-03-2017			

Notes:

* The top 10 shareholders are based on the shareholding as on 01-04-2016 and the information relating to increase / decrease in their shareholding is provided based on the weekly Beneficiary Position received from Depositories.

* Reason for decrease / increase in shareholding - "Transfers"

v) Shareholding of Directors and Key Managerial Personnel

SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sri.P.R.Ramasubrahmaneya Rajha	3785840	1.59	N.A.	N.A.	N.A.	NIL	NIL
		3785840	1.59	N.A.	N.A.	N.A.	3785840	1.59
2	Sri.P.R.Venketrama Raja	1000000	0.42	N.A.	N.A.	N.A.	NIL	NIL
		1000000	0.42	N.A.	N.A.	N.A.	1000000	0.42
3	Sri.R.S.Agarwal	NIL	NIL	15-04-2016	5	Purchase	5	--
				29-04-2016	125	Purchase	130	--
				06-05-2016	96	Purchase	226	--
				02-09-2016	39	Purchase	265	--
		265	--					
4	Sri.M.B.N.Rao	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
5	Sri.M.M.Venkatachalam	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
6	Smt. Justice Chitra Venkataraman (Retd.)	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
7	Sri.A.V.Dharmakrishnan	40000	0.01	N.A.	N.A.	N.A.	NIL	NIL
		40000	0.01	N.A.	N.A.	N.A.	40000	0.01
8	Sri.S.Vaithyanathan	7900	--	N.A.	N.A.	N.A.	NIL	NIL
		7900	--	N.A.	N.A.	N.A.	7900	--
9	Sri.K.Selvanayagam	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL



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	1,392.29	730.75	--	2,123.04
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	16.58	--	--	16.58
Total (i + ii + iii)	1,408.87	730.75	--	2,139.62
Change in indebtedness during the financial year				
* Addition	19.63	487.90	--	507.53
* Reduction	843.00	369.72	--	1,212.72
Net Change	(823.37)	118.18	--	(705.19)
Indebtedness at the end of the financial year				
i. Principal Amount	579.51	845.30	--	1,424.81
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	5.99	3.63	--	9.62
Total (i + ii + iii)	585.50	848.93	--	1,434.43

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In ₹)

SI No	Particulars of Remuneration	Name of MD	Name of WTD	Name of Manager	Total Amount
		Sri.P.R.Ramasubrahmaneya Rajha	--	--	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	--	--	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	--	--	39,600
2	Commission – as% of profit	44,09,73,648	--	--	44,09,73,648
3	Contribution towards Provident Fund	2,88,000	--	--	2,88,000
4	Contribution towards Superannuation Fund	1,50,000	--	--	1,50,000
5	Medical Reimbursement	3,48,070	--	--	3,48,070
6	Sitting fees	2,40,000	--	--	2,40,000
	Total (A)	44,44,39,318	--	--	44,44,39,318
	Overall ceiling as per the Act	5% of the Net profits of the company calculated as per Section 198 of the Companies Act, 2013, plus sitting fees for board/committee meetings attended during the year.			

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B. Remuneration to other Directors:

(In ₹)

SI No	Particulars of Remuneration	Name of the Directors					Total Amount
		Sri.R.S. Agarwal	Sri.M.B.N. Rao	Sri.M.M. Venkatachalam	Smt. Justice Chitra Venkataraman (Retd.)	Sri. P.R.Venketrama Raja	
1	Independent Directors						
	Fee for attending board/ committee meetings	4,40,000	3,60,000	4,40,000	2,00,000	--	14,40,000
	Commission	--	--	--	--	--	--
	Others	--	--	--	--	--	--
	Total (1)	4,40,000	3,60,000	4,40,000	2,00,000	--	14,40,000
2	Other Non Executive Directors						
	Fee for attending board/ committee meetings	--	--	--	--	4,80,000	4,80,000
	Commission	--	--	--	--	--	--
	Others	--	--	--	--	--	--
	Total (2)	--	--	--	--	4,80,000	4,80,000
	Total (B) = (1+2)	4,40,000	3,60,000	4,40,000	2,00,000	4,80,000	19,20,000
	Overall Ceiling as per the Act	1% of the Net Profits of the Company, calculated as per Section 198 of the Companies Act, 2013.					
	Total Managerial Remuneration (A+B)						44,63,59,318

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

(In ₹)

SI No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr.A.V.Dharmakrishnan, CEO	Mr.K.Selvanayagam, Company Secretary	Mr.S.Vaithyanathan, CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,96,68,948	81,20,578	88,20,109	12,66,09,635
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,26,112	22,074	1,10,627	2,58,813
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission – as % of profit	--	--	--	--
5	Others	--	--	--	--
	Total	10,97,95,060	81,42,652	89,30,736	12,68,68,448

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishments/compounding of offences for the year ended 31st March 2017.

Chennai
04-06-2017

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director



Annexure – 4

REPORT ON CORPORATE GOVERNANCE

Pursuant to Schedule V(C) of LODR

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Since inception, The Ramco Cements Limited is assiduously following its self-determined goals on Corporate Governance. The object of the Company is to protect and enhance the value of all the stakeholders of the Company viz., shareholders, creditors, customers and employees. It strives to achieve these objectives through high standards in dealings and following business ethics in all its activities.

The Company believes in continuous upgradation of technology to improve the quality of its production and productivity to achieve newer and better products for total customer satisfaction.

The Company lays great emphasis on team building and motivation. A contented and well developed worker will give to the Company better work and therefore better profits. The Company has strong faith in innate and infinite potential of human resources. It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organisation.

If there is no customer, there is no business. Customers' continued satisfaction and sensitivity to their needs are the Company's source of strength and security.

The Company also believes that as the Organisation grows, the society and the community around it should also grow.

2. BOARD OF DIRECTORS

The Board of Directors is headed by the Chairman and Managing Director, Shri.P.R.Venketrama Raja. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Finance, Engineering, Law, etc. The Board had 6 Directors as on 31-03-2017. Except Shri.P.R.Ramasubrahmaneya Rajha all other Directors were Non-Executive Directors. As required by the Code of Corporate Governance, not less than 50% of the Board of Directors consists of Independent Directors. There are no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No	Name of the Director, Director Identification Number (DIN) & Directorship	20-05-2016	03-08-2016	09-11-2016	07-02-2017	Attendance at last AGM held on 04-08-2016
1.	Shri.P.R.Ramasubrahmaneya Rajha Chairman & Managing Director (till 11-05-2017) DIN: 00331357 Directorship: P & E	Yes	Yes	Yes	Yes	Yes

Sl. No	Name of the Director, Director Identification Number (DIN) & Directorship	20-05-2016	03-08-2016	09-11-2016	07-02-2017	Attendance at last AGM held on 04-08-2016
2.	Shri.P.R.Venketrama Raja Chairman & Managing Director (from 04-06-2017) DIN: 00331406 Directorship: P & E	Yes	Yes	Yes	Yes	Yes
3.	Shri.R.S.Agarwal DIN: 00012594. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes
4.	Shri.M.B.N.Rao DIN: 00287260. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes
5.	Shri.M.M.Venkatachalam DIN: 00152619. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes
6.	Smt. Justice Chitra Venkataraman (Retd.) DIN: 07044099. Directorship: NE & ID	Yes	Yes	Yes	Yes	Yes

P – Promoter;
NE – Non-Executive;

E – Executive;
ID – Independent Director.

Other Directorships

The Number of other Boards or Board Committees in which the Director is a Member or Chairperson as on 31-03-2017 are given below:

No	Name of the Director	Other Directorships*	Committee Positions**	
			Chairperson	Member
1.	Shri.P.R.Ramasubrahmaneya Rajha	8	4	--
2.	Shri.P.R.Venketrama Raja	8	--	4
3.	Shri.R.S.Agarwal	8	2	4
4.	Shri.M.B.N.Rao	8	3	3
5.	Shri.M.M.Venkatachalam	5	1	--
6.	Smt.Justice Chitra Venkataraman (Retd.)	2	1	1

* Public Limited Companies, other than The Ramco Cements Limited.

** Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than The Ramco Cements Limited.

Disclosure of relationships between directors inter-se:

Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director is the father of Shri.P.R.Venketrama Raja, Director.

Details of familiarisation programme for Independent Directors:

The details of the familiarisation programme for Independent Directors are available at the Company's website, at the following link at <http://www.ramcocements.in/Familiarisation.aspx>

The Board of Directors periodically review Compliance Reports pertaining to all Laws applicable to the Company. No non-compliance was reported during the year under review.

The Board is also satisfied itself that plans are in place for orderly succession for appointment of Board of Directors and Senior Management.

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A Code of Conduct has been laid out for all Members of the Board and Senior Management suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013.

The minimum information to be placed before the Board of Directors at their meeting, as specified in Part A of Schedule II of LODR have been adequately complied with.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include:

- To review the reports of Internal Audit Department;
- To review the Auditors' Report on the financial statements;
- To review and approve the Related Party Transactions;
- To review the Annual Cost Audit Report of the Cost Auditor;
- To review the Annual Secretarial Audit Report of the Secretarial Auditor;
- To review the strength and weakness of the internal controls and to provide recommendations relating thereto;
- To generally assist the Board to discharge their functions more effectively.
- To review the financial statements and any investments made by the Subsidiary Company.

In addition, the Audit Committee would discharge the roles and responsibilities as prescribed by LODR and Companies Act, 2013.

Composition and Attendance of the Audit Committee:

The Composition of the Audit Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	19-05-2016	02-08-2016	08-11-2016	06-02-2017
1.	Shri.R.S.Agarwal, Chairman of the Committee	Yes	Yes	Yes	Yes
2.	Shri.P.R.Venketrama Raja	Yes	Yes	Yes	Yes
3.	Shri.M.M.Venkatachalam	Yes	Leave of Absence	Yes	Yes
4.	Shri.M.B.N.Rao	Yes	Yes	Yes	Yes

The Statutory Auditors, Chief Executive Officer, Chief Financial Officer and Head of Internal Audit Department are invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

The representatives of the Cost Auditor and Secretarial Auditor are invited to attend the meeting of the Audit Committee when their reports are tabled for discussion.

3/4th of the members of the Audit Committee are Independent Directors as against the minimum requirements of 2/3rd as stipulated in Regulation 18(1)(b) of LODR.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Companies Act, 2013, LODR and functions as mandated by the Board of Directors from time

to time. The Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the company.

The complete details about the terms of reference for Nomination and Remuneration Committee and Nomination and Remuneration Policy are available at Company's website.

Composition and Attendance of the Nomination and Remuneration Committee:

The Composition of the Nomination and Remuneration Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	19-05-2016	06-02-2017
1.	Shri.R.S.Agarwal, Chairman of the Committee	Yes	Yes
2.	Shri.P.R.Venketrama Raja	Yes	Yes
3.	Shri.M.M.Venkatachalam	Yes	Yes

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of re-appointment of Independent Director.

5. REMUNERATION TO DIRECTORS

The Non-Executive Directors are paid Sitting Fee of ₹ 40,000/- per meeting for attending the meetings of Board and Committees thereof, except for meetings of Share/Debtenture Committee, for which no sitting fee is payable.

There are no pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the Company.

The appointment and remuneration to Managing Director is governed by the resolution passed by the shareholders at the Annual General Meeting held on 28-07-2014 and the remuneration is equivalent to 5% of the Net Profits of the Company and in case of inadequacy of profits, as per Section II, Part II of Schedule V of the Companies Act, 2013.

The details of remuneration paid are as follows:

Name of the Director	(₹ in lacs)			No. of Shares held as on 31-03-2017
	Sitting Fee	Remuneration	Commission & Others	
Shri.P.R.Ramasubrahmaneya Rajha	2.40	24.00	4417.99	37,85,840
Shri.P.R.Venketrama Raja	4.80	NIL	NIL	10,00,000
Shri.R.S.Agarwal	4.40	NIL	NIL	265
Shri.M.B.N.Rao	3.60	NIL	NIL	NIL
Shri.M.M.Venkatachalam	4.40	NIL	NIL	NIL
Smt.Justice Chitra Venkataraman (Retd.)	2.00	NIL	NIL	NIL

The complete details of remuneration paid to Directors are given in Form MGT-9, forming part of annexure to Board's Report.



6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition and Attendance of the Stakeholders Relationship Committee:

The Composition of the Stakeholders Relationship Committee and the details of the attendance of its Members are as follows:

No.	Name of the Director	31-03-2017
1.	Shri.P.R.Ramasubrahmaneya Rajha, CMD	Yes
2.	Shri.P.R.Venketrama Raja, Chairperson of the Committee	Yes

Name of Non-executive Director heading the Committee	Shri.P.R.Venketrama Raja
Name and Designation of Compliance Officer	Shri.K.Selvanayagam, Secretary
No. of complaints received during the year	6
Number not solved to the Satisfaction of shareholders	NIL
Number of pending complaints	NIL

7. GENERAL BODY MEETINGS

a. Location and time, where last three AGMs held:

Year ended	Date	Time	Venue
31-03-2014	28-07-2014	10.15 AM	P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.
31-03-2015	06-08-2015	10.15 AM	-do-
31-03-2016	04-08-2016	10.15 AM	-do-

b. Details of Special Resolutions passed in the previous three Annual General Meetings

Date of the AGM	Subject Matter of the Special Resolution
04-08-2016	To re-appoint Shri.P.R.Ramasubrahmaneya Rajha as the Chairman & Managing Director
06-08-2015	To approve issue of Debentures upto a limit of ₹ 500 crores
28-07-2014	To amend the Articles of Association, for enabling appointment of Managing Director as Chairperson of the Company as well.
	To re-appoint Shri.P.R.Ramasubrahmaneya Rajha as Chairman and Managing Director for a period of three years effective from 01-04-2014.
	To authorise the Company to borrow, the maximum amount so outstanding not to exceed ₹ 5,000 crores.
	To maintain the Register of Members and other Statutory Registers at the Company's Corporate Office at Chennai.

c. No Special Resolution on matters requiring postal ballot were passed during the year under review.

d. No Special Resolution is proposed to be conducted through Postal Ballot.

8. MEANS OF COMMUNICATION

The Unaudited Quarterly and Half yearly Financial results and Audited Annual Results are published in leading English and Vernacular newspapers as required. The results were also displayed on the Company's website www.ramcocements.in

All the financial results are provided to the Stock Exchanges. Official News releases are given directly to the Press and the Company's website also displays the official news releases.

9. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting	On 04-08-2017 at 10.15 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.
b.	Financial Year	1 st April 2016 to 31 st March 2017
c.	Dividend Payment date	04-08-2017 onwards
d.	Name and Address of Stock Exchanges where the Company's Securities are Listed	National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. BSE Limited "P.J.Towers", Dalal Street, Mumbai-400001. The Annual Listing Fee for the year 2017-18 has been paid to the Stock Exchanges.
e.	Stock Code	BSE Limited 500260 National Stock Exchange of India Limited RAMCOCEM
f.	Market Price Data	
g.	Performance in comparison to broad based indices	Enclosed as Annexure –A.
h.	Whether the securities are suspended from trading	No
i.	Registrar and Transfer Agents	Being carried out in-house by the Secretarial Department of the Company.
j.	Share Transfer System	For shares held in electronic mode, transfers are effected under the depository system of NSDL and CDSL. For shares held in physical mode, certificates are to be submitted to the Company along with the required security transfer forms. The company effects the transfers within 15 days, if the documents are found in order and the certificates are sent to the transferees. In the case of defective documents, the same are returned with the reasons to the transferees within 15 days.

THE RAMCO CEMENTS LIMITED

k.	Distribution of Shareholding	Enclosed as Annexure – B.
l.	Dematerialisation of Shares & liquidity	As on 31 st March 2017, 94.35% of the shares have been dematerialized. Regarding liquidity of our Company's shares, the details are available in Annexure –A.
m.	Outstanding GDRs/ ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	NIL
n.	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	With respect to Buyers' Credit in foreign currencies, forward contracts are booked taking into account, the cost of hedging and the foreign currency receivables. The currency rate movements are monitored closely for taking covers with respect to unhedged portions, if any.

o. Plant Locations

Integrated Cement Plants

- Ramasamy Raja Nagar – 626 204, Virudhunagar District, Tamil Nadu.
- Alathiyur, Cement Nagar – 621 730, Ariyalur District, Tamil Nadu
- Govindapuram Village – 621 713, Ariyalur District, Tamil Nadu
- Jayanthipuram, Kumarasamy Raja Nagar – 521 457, Krishna District, Andhra Pradesh.
- Mathodu – 577 533, Hosadurga, Chitradurga District, Karnataka.

Grinding Units

- Kattuputhur Village, Uthiramerur, Kancheepuram District– 603 107, Tamil Nadu.
- Singhipuram Village, Valapady, Salem District – 636 115, Tamil Nadu.
- Kolaghat – 721 134, Purba Medinipur District, West Bengal.
- Gobburupalam, A.S.Peta Post – 531 055, Kasimkota Mandal, Vizag, Andhra Pradesh.

Packing Plant

Kumarapuram, Aralvaimozhi–629 301, Kanyakumari District, Tamil Nadu.

Readymix Concrete Plant

Medavakkam-Mambakkam Road, Vengaiwasal, Chennai – 601 302, Tamil Nadu.

Dry Mortar Plant

F-14, SIPCOT Industrial Park, Sriperumbudur – 602 106, Tamil Nadu.

Ramco Research & Development Centre

11-A, Okkiyam, Thuraiyakkam, Chennai – 600 096, Tamil Nadu.

Wind Farm Division

- Thandayarkulam, Veeranam, Muthunaickenpatti, Pushpathur and Udumalpet in Tamil Nadu.
 - Vani Vilas Sagar and GIM II Hills in Karnataka.
- p. Address for Correspondence
K.Selvanayagam, Secretary (Compliance Officer)
The Ramco Cements Limited
Auras Corporate Centre, V Floor
98-A, Dr.Radhakrishnan Road
Mylapore, Chennai – 600 004, Tamil Nadu
Phone: 28478666 Fax: 28478676
E Mail : ksn@ramcocements.co.in

10. OTHER DISCLOSURES

- There are no materially significant related party transactions made by the Company that may have potential conflict with the interests of the Company at large.
 - There are no instances of non-compliance by the Company, and no penalties or strictures were imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
 - The Company has a Whistle Blower Policy, available at the Company's website and it is affirmed that no personnel has been denied access to the Audit Committee.
 - The Company has complied with the mandatory requirements. The status of adoption of the non-mandatory requirements is given below:
 - The Company's financial statements are unqualified for the year 2016-17.
 - The Material Subsidiary Policy is disclosed in the Company's website and its weblink is - <http://www.ramcocements.in/pdf/files/policies/MATERIAL%20SUBSIDIARY%20POLICY.pdf>
 - The Related Party Transaction Policy is disclosed in the Company's website and its weblink is - <http://www.ramcocements.in/pdf/files/policies/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf>
 - The details relating to commodity price risks and commodity hedging activities are not applicable.
- The Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V of LODR.
 - The extent to which the discretionary requirements specified in Part E of Schedule II have been adopted, is given against Clause 10(d) above.
 - The Company has no material subsidiary.
 - The Minutes of the Meeting of the Board of Directors of the unlisted subsidiary are being placed before the Board of Directors of the Company.
 - The Management of the unlisted subsidiary periodically brings to the notice of the Board, a statement on significant transactions and arrangements entered into by them.



16. Senior Management Personnel discloses to the Board of Directors all material, financial and commercial transactions where they have personal interest that may have a potential conflict with the Company's interest, if any.

17. The Company submits quarterly compliance report on Corporate Governance to the Stock Exchanges, in the prescribed format within 15 days from the close of the quarter duly signed by the Compliance Officer.

18. As required under Regulation 46(2) of LODR, the following information have been duly disseminated in the Company's website.

- * Terms and conditions of appointment of Independent Directors
- * Composition of various committees of Board of Directors
- * Code of Conduct of Board of Directors and Senior Management Personnel
- * Details of establishment of Vigil Mechanism/Whistle Blower Policy
- * Policy on dealing with Related Party Transactions
- * Policy for determining 'Material Subsidiaries'
- * Details of familiarization Programmes imparted to Independent Directors

19. The various disclosures made in the Board's Report, may be considered as disclosures made under this report.

20. The Company has also the following Committees of Board of Directors.

a. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition and Attendance of the Corporate Social Responsibility Committee:

The Composition of the Corporate Social Responsibility Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	20-05-2016
1	Shri.P.R.Ramasubrahmaneya Rajha, CMD Chairperson of the Committee	Yes
2	Shri.P.R.Venketrama Raja	Yes
3	Shri.M.M.Venkatachalam	Yes

b. SHARE/DEBENTURE COMMITTEE

Composition and Attendance of the Share/Debtenture Committee:

The Composition of the Share/Debtenture Committee and the details of the attendance of its Members are as follows:

No	Name of the Director	20-05-2016	01-09-2016	21-10-2016
1	Shri.P.R.Ramasubrahmaneya Rajha, CMD	Yes	Yes	Yes
2	Shri.P.R.Venketrama Raja Chairperson of the Committee	Yes	Yes	Yes

The Board of Directors at their meeting held on 09-11-2016 delegated the authority to Shri.K.Selvanayagam, Secretary of

the Company for Share/Debtenture transfer related matters, consequent to which the Share/Debtenture Committee had ceased to exist with effect from 09-11-2016.

c. PROJECT MANAGEMENT COMMITTEE

MEMBERS

No	Name of the Director
1	Shri.P.R.Ramasubrahmaneya Rajha, CMD Chairperson of the Committee
2	Shri.P.R.Venketrama Raja

No. of Meetings held during the year : NIL

As the progress of the major projects is being reviewed by the Board of Directors directly, the Project Management Committee had been dissolved at the Board Meeting held on 30-05-2017.

21. CREDIT RATING

ICRA, the Company's credit rating agency, have rated our borrowing programmes as follows:

Security	Limit/Outstanding as on 31-03-2017	Amount ₹ in crores	Rating
Commercial Papers/Short Term Debt	Limit	742.00	A1+
Fund Based Facilities			
* Cash Credit	Limit	614.00	AA+ (Stable)
* Short Term Loan/Buyers' Credit and Other Facilities	Limit	600.00	A1+
Non-Fund Based Facilities	Limit	449.00	A1+
Long Term Loans from Bank	Outstanding	100.00	AA+ (Stable)
Debtentures	Outstanding	200.00	AA+ (Stable)

22. DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

[Pursuant to Schedule V(F) of LODR]

There were 3,25,600 shares of ₹ 1/- each belonging to 71 shareholders at the beginning of the year lying at "The Ramco Cements Limited Unclaimed Suspense Account" in dematerialised form. During the year, no shareholder had approached the Company for transfer of shares from the unclaimed suspense account. The said 3,25,600 shares remained unclaimed as on 31-03-2017. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares.

23. Declaration signed by the Chief Executive Officer of the Company as per Schedule V(D) of LODR, on compliance with the Code of Conduct is annexed.

24. Compliance Certificate as per Regulation 17(8) read with Part B of Schedule II of LODR, provided by Chief Executive Officer and Chief Financial Officer is annexed.

DECLARATION

As provided under Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March 2017.

Chennai
04-06-2017

for THE RAMCO CEMENTS LIMITED,
A.V.DHARMAKRISHNAN
Chief Executive Officer

To
The Board of Directors
The Ramco Cements Limited
Rajapalayam.

Certification under Regulation 17(8) of SEBI (LODR) Regulations

We hereby certify that –

- A. We have reviewed financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have

disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- D. We have indicated to the auditors and the Audit committee that –
1. there are no significant changes in internal control over financial reporting during the year;
 2. except for adoption of Ind AS, there are no significant changes in Accounting Policies, during the year;
 3. there are no instances of significant fraud of which we have become aware.

S.VAITHIYANATHAN
Chief Financial Officer
Chennai
04-06-2017

A.V.DHARMAKRISHNAN
Chief Executive Officer



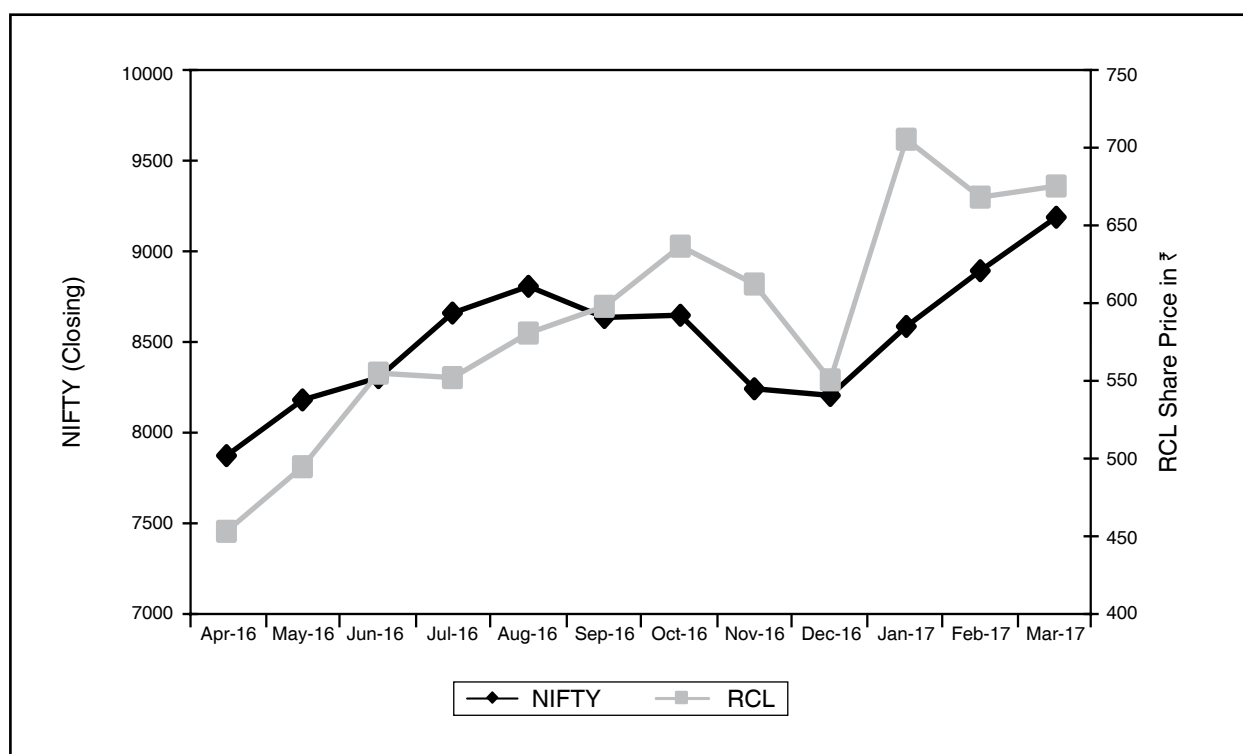
Annexure – A

STATISTICAL DATA

Share Price High & Low/Volume (from April 2016 to March 2017 in NSE & BSE)

Month	National Stock Exchange			Bombay Stock Exchange		
	High ₹	Low ₹	No. of Shares Traded	High ₹	Low ₹	No. of Shares Traded
April 2016	486	396	50,32,719	495	400	17,22,513
May	514	450	66,32,637	515	448	14,43,562
June	580	482	59,90,491	581	483	6,33,306
July	594	545	41,85,076	595	544	2,91,823
August	581	531	28,88,123	581	530	4,06,370
September	623	550	27,39,429	623	550	13,49,188
October	685	592	29,02,106	685	593	4,72,476
November	640	473	56,87,564	638	479	4,87,111
December	619	501	44,36,698	619	500	14,89,557
January 2017	728	545	41,54,578	728	547	14,07,928
February	724	645	42,37,234	723	646	3,53,498
March	680	618	52,63,851	676	616	2,93,209
Year 2016-17	728	396	5,41,50,506	728	400	1,03,50,541

RCL Share Price Movement (Apr 2016 To Mar 2017)



Pattern of Shareholding as on 31-03-2017

Description	Total Shareholders	%	Total Shares	%
Promoters Holding				
1) Promoters	14	0.05	10,07,05,560	42.30
Sub-Total	14	0.05	10,07,05,560	42.30
Non-Promoters Holding				
1) Residents	27,150	94.16	3,30,25,726	13.87
2) Non-Resident Indians	743	2.58	8,62,401	0.36
3) Indian Companies	618	2.14	1,59,63,378	6.71
4) Foreign Institutional Investors	147	0.51	3,45,62,459	14.52
5) Mutual Funds	148	0.51	3,88,43,462	16.31
6) Banks, GIC & Subs, Fin. Inst., TN Govt.	14	0.05	1,41,13,794	5.93
Sub-Total	28,820	99.95	13,73,71,220	57.70
Total	28,834	100.00	23,80,76,780	100.00

Distribution of Shareholding as on 31-03-2017

Description	Total Shareholders	%	Total Shares	%
a) Upto 500	22,681	78.66	25,89,504	1.09
b) 501 to 1000	2,151	7.46	17,25,475	0.72
c) 1001 to 2000	1,362	4.72	22,00,780	0.92
d) 2001 to 3000	462	1.60	11,95,852	0.50
e) 3001 to 4000	551	1.91	21,10,611	0.89
f) 4001 to 5000	172	0.60	8,02,930	0.34
g) 5001 to 10000	634	2.20	48,23,379	2.03
h) 10001 & above	821	2.85	22,26,28,249	93.51
Total	28,834	100.00	23,80,76,780	100.00

Category of Shareholding as on 31-03-2017

Description	Total Shareholders	%	Total Shares	%
Dematerialised Form - CDSL	7,886	27.35	49,33,381	2.07
Dematerialised Form - NSDL	20,272	70.31	21,96,99,882	92.28
Physical Form	676	2.34	1,34,43,517	5.65
Total	28,834	100.00	23,80,76,780	100.00



Certificate regarding compliance of conditions of corporate governance

[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of
The Ramco Cements Limited,
[CIN: L26941TN1957PLC003566]
"Ramamandiram", Virudhunagar District,
Rajapalayam - 626117

We have examined the compliance of the conditions of Corporate Governance by The Ramco Cements Limited ("the Company") during the financial year ended 31st March 2017, as stipulated under regulation numbers 17 to 27, 46(2)(b) to (i), Schedule V (paragraphs C, D and E) and other applicable regulations/ Schedules of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company is required to comply with the said conditions of Corporate Governance on account of:

- (a) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited for listing its equity shares; and
- (b) The Listing Agreement entered into with BSE Limited for listing its Secured Non-Convertible Debentures.

The Company's management is responsible for compliance with the conditions of Corporate Governance. We have broadly

reviewed the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our review was neither an audit nor an expression of opinion on the financial statement of the Company.

We hereby certify that, in our opinion and to the best of our information and based on the records furnished for our verification and the explanations given to us by the Company, its officers and agents, the Company has, during the year ended 31st March 2017, complied with the applicable conditions of Corporate Governance.

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

For S Krishnamurthy & Co.,
Company Secretaries,

K. Sriram,
Partner.

Membership No: F6312
Certificate of Practice No: 2215

Date : 30th May 2017
Place : Chennai

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR Policy

The objective of the CSR Policy is

- a. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- b. To directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well being of the local populace.
- c. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

Weblink to the CSR Policy:

<http://www.ramcocements.in/pdf/files/policies/CSR%20POLICY%20OF%20TRCL.pdf>

2. The Composition of the CSR Committee:

1. Shri.P.R.Ramasubrahmaneya Rajha, Chairman of the Committee (Till 11-05-2017)
2. Shri.P.R.Venketrama Raja, Member
3. Shri.M.M.Venkatachalam, Chairman of the Committee (From 30-05-2017)

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

₹ 398.05 crores

4. Prescribed CSR Expenditure: ₹ 7.96 crores (2% of the amount as in item 3 above)

5. Details of CSR spent during the financial year

- a. Total amount spent for the financial year: ₹ 7.28 crores
- b. Amount unspent, if any: ₹ 0.68 crores
- c. Manner in which the amount spent during the financial year is detailed below:

THE RAMCO CEMENTS LIMITED

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise – ₹ in crores	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: - ₹ in crores	Cumulative expenditure up to the reporting period – ₹ in crores.	Amount spent Direct or through implementing agency ₹ in crores
1	Eradicating Hunger, Poverty and Malnutrition, promoting health care including preventive health care and Sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available Safe Drinking Water. [Clause (i)]	Health Care	In & around Factory areas and Corporate Office, Chennai	1.53	1.53	1.53	Direct 0.96
							Indirect 0.57
2	Promoting Education, including Special Education and Employment Enhancing Vocation Skills especially among Children, Women, Elderly, and the Differently abled and Livelihood Enhancement Projects. [Clause (ii)]	Education	In & around Factory areas and Corporate Office, Chennai	0.72	0.72	0.72	Direct 0.54
							Indirect 0.18
3	Promoting Gender Equality, Empowering Women, setting up Homes and Hostels for Women and Orphans, setting up Old Age Homes, Day Care Centres and such other facilities for Senior Citizens and measures for reducing inequalities faced by socially and economically backward group. [Clause (iii)]	Women Empowerment	In & around Factory areas and Corporate Office, Chennai	0.09	0.09	0.09	Direct
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga [Clause (iv)]	Conservation of Environment	In & around Factory areas and Corporate Office, Chennai	0.01	0.01	0.01	Direct 0.005
							Indirect 0.005
5	Protection of National Heritage, Art and Culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts. [Clause (v)]	Protection of Heritage	In & around Factory areas and Corporate Office, Chennai	0.99	0.99	0.99	Direct 0.29
							Indirect 0.70
6	Measures for the benefit of Armed Forces Veterans, War Widows and their dependents. [Clause (vi)]	Benefit of Armed Forces	In & around Factory areas and Corporate Office, Chennai	0.01	0.01	0.01	Direct
7	Training to promote Rural Sports, Nationally recognised sports, Paralympic Sports and Olympic Sports [Clause (vii)]	Promotion of Sports	In & around Factory areas and Corporate Office, Chennai	0.27	0.27	0.27	Direct 0.16
							Indirect 0.11
8	Rural Development Projects [Clause (x)]	Rural Development	In & around Factory areas and Corporate Office, Chennai	3.66	3.66	3.66	Direct 3.21
							Indirect 0.45
Total				7.28	7.28	7.28	Direct : 5.265
							Indirect: 2.015

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Chennai
04-06-2017

P.R.VENKETRAMA RAJA
Chairman & Managing Director

M.M.VENKATACHALAM
Chairman of the CSR Committee



Annexure - 7

Form AOC-2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Particulars of Contracts/Arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	Rajapalayam Rotary Trust PACR Sethurammammal Charities PAC Ramasamy Raja Education Charity Trust Raja Charity Trust P.A.C.Ramasamy Raja Centenary Trust Shri.P.R.Ramasubrahmaneya Rajha and Shri.P.R.Venketrama Raja, Directors are Trustees in the Trusts.
(b)	Nature of Contracts/arrangements/transactions	Sale of Cement
(c)	Duration of the contracts/arrangements/transactions	36 months, from 01-04-2016 to 31-03-2019
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Supply of cement @ ₹ 200/- per bag.
(e)	Justification for entering into such contracts or arrangements or transactions	The above trusts are Public Charitable Trusts and the cement is sold not for trading. The cement is sold to these trusts @ ₹ 200/- per bag as against ₹ 185/- per bag the price at which cement is being sold to Government of Tamil Nadu, under "Amma Cement Supply Scheme".
(f)	Date(s) of approval by the Board	20-05-2016
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the Special Resolution was passed in general meeting as required under first proviso to Section 188	Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis - NIL

Chennai
04-06-2017

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014]

(A) Conservation of energy

- (i) the steps taken or impact on conservation of energy;
- The Company pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements.
- Installation of Variable frequency drive (VFD) for process fans to reduce electrical energy.
- Installation of Slip Power Recovery System (SPRS) for process fans to reduce electrical energy.
- In-house modification of gas ducts in mill systems to reduce electrical energy.
- Replacement of live steam with extraction steam for ejector operation in Thermal power plant to reduce thermal energy.
- Installation of High efficiency leak proof dumping valve at Captive Thermal power plant to reduce thermal energy.
- Installation of LED lights replacing high wattage HPSV (High Pressure Sodium Vapour) lights.
- (ii) the steps taken by the company for utilising alternate sources of energy;
- Replacing Diesel with waste Tyre oil for kilns during start up.
- (iii) the capital investment on energy conservation equipments - ₹ 6.84 crores.

(B) Technology absorption

- (i) the efforts made towards technology absorption;
- Installation of High efficiency, low Nox burner for firing fuel in Kiln.
- Installation of High efficiency IE3 type motors for driving equipments.
- (ii) the benefits derived;
- Savings in thermal energy resulting in reduced fuel consumption
- Reduction of Nox emission resulting in reduced environmental impact.
- Increase in efficiency of Motors resulting in power saving.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- Commissioning of Xcentric Ripper XR-40 imported from M/s.Xcentric Ripper International, Spain, resulting in environment friendly mining, compared to conventional methods of drilling and blasting. (Year of Import : 2016)
- Import of High efficiency, low Nox burner from M/s. FIVES Pillard, France for better fuel combustion, reduced fuel consumption and reduced Nox levels. (Year of Import : 2017)
- Import of X-Ray Fluorescence (XRF) manufactured by M/s.Rigaku NEX CG, USA, for determining chemical analysis of Raw materials, Clinker and Cement. (Year of Import : 2016)
- Import of Particle size analyser manufactured by M/s.CILAS, France for determining the particle size distribution of cement and ground raw materials. (Year of Import : 2016)
- The technologies have been fully absorbed.

(iv) the expenditure incurred on Research and Development.	
Particulars	₹ in crores
Capital	0.31
Revenue	7.98
Total	8.29

(C) Foreign Exchange Earnings and Outgo

Particulars	₹ in crores
Foreign Exchange earned in terms of Actual Inflows	35.46
Foreign Exchange outgo in terms of Actual Outflows	260.89

Chennai
04-06-2017

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director



Annexure - 9

Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. & ii. The ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of Chairman & Managing Director (CMD), Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the Financial Year 2016-17.

Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2016-17 (₹ in crores)	% increase in remuneration in the Financial year 2016-17	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
Shri.P.R.Ramasubrahmaneya Rajha	44.44	23	875	The Profit before tax increased by 26% and Total Comprehensive Income increased by 20% in financial year 2016-17
Shri.P.R.Venketrama Raja	0.05	-	0.94	
Shri.R.S.Agarwal	0.05	-8	0.87	
Shri.M.B.N.Rao	0.04	50	0.71	
Shri.M.M.Venkatachalam	0.04	10	0.87	
Smt.Justice Chitra Venkataraman (Retd.)	0.02	-	0.39	
Shri.A.V.Dharmakrishnan Chief Executive Officer	10.97	17	216	The Profit before tax increased by 26% and Total Comprehensive Income increased by 20% in financial year 2016-17
Shri.S.Vaithyanathan Chief Financial Officer	0.89	18	17	
Shri.K.Selvanayagam Secretary	0.81	13	16	

- iii. The median remuneration of the employees during the financial year was ₹ 5,08,215/- and the percentage increase in the median remuneration was 0.95%.
- iv. There were 2,883 permanent employees on the rolls of the Company, as on 31st March 2017.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2016-17 was 6.93% and the increase in the managerial remuneration for the same financial year was 22%. This was because, the remuneration of CMD was increased by 23% which is linked to the profit of the Company.
- vi. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

THE RAMCO CEMENTS LIMITED

II. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) Particulars of Top 10 employees in terms of remuneration drawn and particulars of employees employed throughout the financial year 2016-17 and was in receipt of remuneration, in the aggregate, not less than ₹ 1.02 Crores.

No	Name	Designation	Remuneration ₹	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Ramasubrahmaneya Rajha P R	Chairman & Managing Director	44,44,39,318	B.Sc (59)	20/03/1958	81	--
2	Dharmakrishnan A V	Chief Executive Officer	10,97,95,060	B.Com, ACA (34)	03/05/1982	60	--
3	Balaji K Moorthy	Executive President – Marketing	2,30,31,652	B.Sc, PGDC, PGDFT (41)	09/06/1997	65	Fabulac Overseas Ltd
4	Gopalakrishna P B	Sr. President – Manufacturing	1,76,26,699	B.Tech (40)	10/12/2008	62	Rain Industries Ltd
5	Srinivasan M	President – Manufacturing	1,68,59,446	B.E. (32)	12/05/1995	55	Fuller KCP Ltd
6	Ravishankar N	President – Manufacturing	1,05,37,740	B.Tech (34)	22/08/2005	57	UltraTech Cement Ltd
7	Ramakrishnan R	SVP – Marketing	94,14,878	B.Com, ACA (33)	06/07/1998	59	Indian Oil Corporation Ltd
8	Vaithiyanathan S	Chief Financial Officer	89,30,736	B.Sc, ACA (27)	20/08/1990	52	Seshasayee Industries Ltd
9	Saikumar M J	VP- HRD	82,41,052	B.Sc, MA (34)	01/02/1990	57	Overseas Sanmar Leasing Limited
10	Selvanayagam K	Secretary	81,42,652	B.Com, ACS (33)	21/10/1993	58	New Era Technologies Pvt Ltd

(ii) Employed for a part of the financial year 2016-17 and was in receipt of remuneration, at a rate which, in the aggregate, not less than ₹ 8.50 lakhs per month

No	Name	Designation	Remuneration ₹	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Chidambaram M	VP-Admin	81,19,009	FCA, B.Com (33)	20/01/2014	60	Chettinad Cement Ltd
2	Vijayakumar K	AVP – Civil	74,35,430	BE, M-Tech (37)	29/01/2007	61	Gulfar Engg & Construction
3	Vilas Teggi	SVP – Mines	49,10,309	B.E, 1 st Class MMCC (34)	27/09/2012	58	My Home Industries Pvt Ltd
4	Kumara Swamy K V L	AGM – Civil	39,49,759	DCE	09/10/1995	58	Best & Crompton Ltd
5	Manjunath K N	Sr.DGM – Auto & EME	31,79,112	B.E	09/07/1998	58	Gujarat Ambuja Cements Ltd

NOTES:

- 1 All appointments are contractual.
- 2 None of the employees mentioned above is related to any director of the Company except Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director who is related to Director, Shri.P.R.Venketrama Raja.
- 3 No employee was in receipt of remuneration in excess of that drawn by Chairman & Managing Director.
- 4 Remuneration includes salary, variable performance pay, allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and leave encashment paid but excludes gratuity.

Chennai
04-06-2017

On behalf of the Board of Directors
For THE RAMCO CEMENTS LIMITED,
P.R.VENKETRAMA RAJA
Chairman & Managing Director

SEPARATE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ramco Cements Limited

Report on the Separate Financial Statements

We have audited the accompanying Separate financial statements drawn in accordance with the Indian Accounting Standards ("the Financial Statements"), of The Ramco Cements Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year ended on 31st March 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate 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 and presentation of the Financial Statements that give a true and fair view of the financial position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Separate Financial Statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the Separate 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 Separate 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 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 Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards, of the state of affairs (financial position) of the Company as at 31st March 2017, its Profit (financial performance including Other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on 31st March 2017.

We draw attention to Note No. 47.2.7 of the Disclosures forming part of the Financial Statements relating to Order of the Competition Commission of India (CCI) imposing a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation with select cement manufacturers. Upon appeal filed by the affected companies, the Competition Appellate Tribunal (COMPAT) by its Order dated 11-12-2015 set aside the CCI's Order and remitted the matter back for fresh adjudication. After re-hearing, the CCI has restored the same penalty again vide its Order dated 31-08-2016. The Company has again filed an appeal before COMPAT. In compliance of Interim Order of COMPAT, the Company has deposited ₹ 25.86 Crores, being 10% of the impugned penalty. The said amount so deposited is classified under "Bank Balances other than Cash and Cash Equivalents". The appeal is pending. Based on the legal opinion, the Company believes that it has a good case and hence no provision is made.

Our opinion is not modified in respect of this matter.

The Financial Statements includes financial performance of a foreign branch which reflects total assets ₹ 2.22 Crores, total revenue of ₹ 2.02 Crores and net cash inflow amounting to ₹ 0.07 Crores for the year ended on 31st March 2017, which was audited by Independent Auditors in accordance with the regulations of that country and whose report has been furnished to us and has been considered in the Financial Statements solely based on such Audited Financial Statements. 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 Sub-Section (11) of Section 143 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 Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Separate Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors as on 31st March 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) We have enclosed our separate report in "Annexure B" with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The details of the pending litigations and its impact on the Financial Statements have been disclosed in Note No 47.2.1 to 47.2.24 of the 'Disclosures forming part of Separate Financial Statements' for the year ended 31st March 2017;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 08-11-2016 to 30-12-2016 and these are in accordance with the books of accounts maintained by the Company.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration No. 001208S
K.Srinivasan
Partner
Membership No. 021510

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.Gangadaran
Partner
Membership No. 011205

Chennai
30-05-2017

THE RAMCO CEMENTS LIMITED

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the Financial Statements of the Company for the year ended 31st March 2017:

1) Fixed Assets

- 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1.2 The fixed assets were physically verified during the year by the Management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed during such verification.
- 1.3 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.

2) Inventory

- 2.1 The Management has conducted the physical verification of inventory at reasonable intervals.
- 2.2 The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.

3) The Company has granted loan to a party listed in the Register maintained under Section 189 of the Act. The maximum outstanding at any time during the year ₹ 36.37 Crores (PY: ₹ 31.94 Crores) and the amount outstanding as on 31st March 2017 is ₹ 31.42 Crores (PY: ₹ 31.94 Crores).

- 3.1 In our opinion, the terms and conditions on which the loan has been granted to the party listed in the Register maintained under Section 189 of the Act are not prejudicial to the interest of the Company.
- 3.2 The payment of the principal and the interest wherever applicable are regular.
- 3.3 There are no overdue amounts in respect of the loan granted to a party listed in the Register maintained under Section 189 of the Act.

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) The company is maintaining the accounts and records which have been specified by the Central Government under Section 148(1) of the Act.

7) Undisputed and disputed taxes and duties

7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

7.2 The disputed statutory dues aggregating to ₹ 655.42 Crores (PY: ₹ 641.12 Crores) that have not been deposited on account of matters pending before appropriate authorities are as under.

₹ in Crores

Sl. No	Name of the Statute	Forum where dispute is pending	As at 31-03-2017	As at 31-03-2016
1	VAT/CST Act	Assessing Authority	0.46	4.92
		Assistant/Deputy Commissioner, Appeals	0.31	0.69
		Appellate Tribunal	6.28	5.46
		High Court	68.85	68.84
2	Central Excise Act & Cenvat Credit Rules	Assistant/Deputy/Additional Commissioner	299.64	376.27
		Commissioner, Appeals	5.31	0.88
		Appellate Tribunal	187.03	134.51
		High Court	7.08	5.00
		Supreme Court	51.41	15.50
3	Customs Act	Appellate Tribunal	29.05	29.05
Total			655.42	641.12

8) The Company has not defaulted in repayment of dues to Financial Institutions, Banks, Debenture holders or Government.

9) The Company did not raise any money by way of initial public offer or further public offer. The Company has raised term loans from Banks/Institutions during the year and the proceeds have been applied for the purposes for which they were raised. The Company has not issued any debentures during the year.



- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) 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.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration No. 001208S
K.Srinivasan
Partner
Membership No. 021510

Chennai
30-05-2017

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.Gangadaran
Partner
Membership No. 011205

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARDS OF THE RAMCO CEMENTS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of The Ramco Cements Limited (“the Company”) as of 31st March 2017 in conjunction with our audit of the Financial Statements of the Company for the year ended on 31st March 2017.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention

and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both applicable to an audit of Internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

THE RAMCO CEMENTS LIMITED

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration No. 001208S
K.Srinivasan
Partner
Membership No. 021510

Chennai
30-05-2017

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.Gangadaran
Partner
Membership No. 011205



BALANCE SHEET AS AT 31ST MARCH 2017

	Note No.	31-03-2017	31-03-2016	₹ In Crores 01-04-2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	7	4,877.28	4,821.64	4,763.93
Capital Work in Progress	8	97.42	138.31	257.52
Investment Property	9	240.63	227.43	224.41
Intangible Assets	10	65.10	79.52	98.92
Intangible Assets under Development	11	22.84	8.53	5.14
Investments in Subsidiary and Associates	12	121.79	118.79	121.06
Financial Assets				
<i>Other Investments</i>	12a	26.53	25.36	25.54
<i>Loans and Advances</i>	13	46.29	45.35	20.69
<i>Other Financial Assets</i>	14	9.81	11.72	16.62
Other Non-Current Assets	15	82.62	85.06	83.01
		5,590.31	5,561.71	5,616.84
Current Assets				
Inventories	16	575.43	549.02	520.58
Financial Assets				
<i>Loans and Advances</i>	17	27.26	20.96	19.63
<i>Trade Receivables</i>	18	554.90	472.12	382.28
<i>Cash and Cash Equivalents</i>	19	81.65	83.82	57.34
<i>Bank Balances other than Cash and Cash Equivalents</i>	20	36.43	6.95	30.37
<i>Other Financial Assets</i>	21	31.23	29.52	118.31
Other Current Assets	22	111.69	170.07	144.34
		1,418.59	1,332.46	1,272.85
Total Assets		7,008.90	6,894.17	6,889.69
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	23	23.81	23.81	23.81
Other Equity	24	3,717.70	3,069.65	2,658.57
		3,741.51	3,093.46	2,682.38
Non Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	25	503.63	1,047.10	1,708.60
Provisions	26	3.61	1.64	-
Deferred Government Grants	27	11.48	7.71	-
Deferred Tax Liabilities (net)	28	728.14	715.52	711.24
		1,246.86	1,771.97	2,419.84
Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	29	634.51	630.62	500.30
<i>Trade Payables</i>	30	255.79	214.65	233.67
<i>Other Financial Liabilities</i>	31	997.84	1,073.47	938.54
Provisions	32	46.51	36.72	44.39
Deferred Government Grants	33	0.96	0.58	-
Liabilities for Current tax	34	4.54	5.56	6.23
Other Current Liabilities	35	80.38	67.14	64.34
		2,020.53	2,028.74	1,787.47
Total Equity and Liabilities		7,008.90	6,894.17	6,889.69
<i>Significant Accounting Policies, Judgments and Estimates</i>				
<i>See accompanying notes to the financial statements</i>				
	1 - 6			
	7 - 57			

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary

THE RAMCO CEMENTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

			₹ In Crores
	Note No.	31-03-2017	31-03-2016
REVENUE			
Revenue from operations	36	4,564.23	4,130.91
Other Income	37	42.80	88.43
Total Revenue		4,607.03	4,219.34
EXPENSES			
Cost of Materials Consumed	38	640.58	578.88
Purchase of Stock-in-Trade	39	31.07	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	14.94	9.94
Excise Duty on Sale of Goods	41	614.69	557.65
Employee Benefits Expense	42	277.73	258.70
Finance Costs	43	103.52	181.86
Depreciation and Amortization Expense	44	265.53	304.79
Other Expenses	45	1,808.82	1,654.15
Total Expenses		3,756.88	3,545.97
Profit Before Tax		850.15	673.37
Tax Expenses	28		
Current Tax		187.00	149.76
Excess tax provision related to earlier years written back		-	(23.84)
Net Current tax expenses		187.00	125.92
Deferred Tax		15.90	24.52
MAT Credit Recognition for Current year		-	(19.26)
MAT Credit Recognition for Previous year		(2.04)	-
Net Deferred tax expenses		13.86	5.26
Total Tax Expenses		200.86	131.18
Profit for the year	(A)	649.29	542.19
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)		(3.57)	(2.84)
Deferred Tax credit on above		1.24	0.98
Fair value gain/(loss) on Equity Instruments through OCI		1.09	(0.18)
Total Other Comprehensive Income for the year, net of tax	(B)	(1.24)	(2.04)
Total Comprehensive Income for the year	(A) + (B)	648.05	540.15
Earnings per equity share of face value of ₹1 each	50		
Basic and Diluted in Rupees		27	23
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 57		

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2017

	₹ In Crores	
	31-03-2017	31-03-2016
Cash Flow from Operating Activities		
Profit Before Tax	850.15	673.37
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation & Amortization	284.49	324.82
Loss/(Profit) on sale of Property, Plant & Equipment <i>(Including Investment Property)</i>	(0.73)	0.38
Bad Debts written off	0.72	0.28
Profit on Sale of Equity Shares of Associate	-	(17.53)
Impairment Loss on assets	7.64	0.50
Provision for compensated absences	1.98	2.76
Provision for Mines Restoration Expenditure	1.70	1.49
Interest Income	(26.17)	(11.38)
Dividend Income	(0.09)	(1.32)
Grant Income	(3.06)	(3.27)
Cash flow arising out of Actuarial loss on defined benefit obligations	(3.57)	(2.84)
Fair value loss/(gain) on Mutual funds	(0.05)	0.03
Rent Receipts	(7.81)	(7.59)
Finance costs	103.52	181.86
Other non-cash adjustments	1.34	(1.23)
Operating Profit before Working Capital changes	1,210.06	1,140.33
<i>Movements in Working capital:</i>		
Inventories	(26.41)	(28.44)
Trade receivables and other assets	(38.07)	(27.94)
Trade payables and other liabilities	145.77	149.41
Cash generated from Operations	1,291.35	1,233.36
Direct Taxes paid	(185.97)	(148.27)
Net Cash generated from Operating Activities	1,105.38	1,085.09
	A	
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Investment Properties <i>(Including Capital work-in-progress, Capital Advances and payable for capital goods)</i>	(306.66)	(278.00)
Proceeds from Sale of Property, Plant & Equipment and Investment Properties	2.35	0.95
Interest received	23.08	9.75
Dividend received	0.06	1.30
Loans & Advances received back/(given) to Subsidiary Company	0.52	(24.54)
Investment in Equity Shares of Associates	(3.00)	(5.57)
Rent Receipts	7.81	7.59
Proceeds from Sale of Equity Shares of Associate	-	25.36
Net Cash used in Investing Activities	(275.84)	(263.16)
	B	

THE RAMCO CEMENTS LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

		₹ In Crores	
		31-03-2017	31-03-2016
Cash Flow from Financing Activities			
Proceeds from Long Term Borrowings		10.00	968.60
Repayment of Long Term Borrowings		(707.10)	(1,626.67)
Proceeds from/(Repayment of) Short Term Borrowings (net)		147.53	6.38
Payment of Dividend and Dividend Distribution Tax		-	(129.07)
Interest paid		(109.02)	(162.05)
Net Cash used in Financing Activities	C	(658.59)	(942.81)
Net Increase/(Decrease) in Cash and Cash equivalents	D = (A+B+C)	170.95	(120.88)
Opening balance of Cash and Cash equivalents	E	(184.54)	(63.66)
Closing balance of Cash and Cash equivalents	D + E	(13.59)	(184.54)

Notes

- (i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- (ii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2017	31-03-2016	01-04-2015
Cash and cash equivalents (Note 19)	81.65	83.82	57.34
Bank Balances other than cash and cash equivalents (Note 20)	36.43	6.95	30.37
	118.08	90.77	87.71
Less: Cash Credit (Note 29)	131.67	275.31	151.37
Cash and Bank Balances, net of Cash Credit for Statement of Cash Flow	(13.59)	(184.54)	(63.66)
See accompanying notes to the financial statements	7 - 57		

As per our report annexed

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Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2017

A. Equity Share Capital

₹ in Crores

Balance as at 01-04-2015	23.81
Changes in Equity Share Capital during the year 2015-16	-
Balance as at 31-03-2016	23.81
Changes in Equity Share Capital during the year 2016-17	-
Balance as at 31-03-2017	23.81

B. Other Equity

₹ in Crores

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Remeasurements of Defined Benefit Obligations	
Other Equity as at 01-04-2015	1.38	-	2,518.50	136.09	2.60	-	2,658.57
Add: Profit for the year	-	-	-	542.19	-	-	542.19
Add: Other Comprehensive Income	-	-	-	-	(0.18)	(1.86)	(2.04)
Total Comprehensive Income	-	-	-	542.19	(0.18)	(1.86)	540.15
Less: Dividend Distribution to shareholders	-	-	-	107.24	-	-	107.24
Less: Dividend Distribution Tax	-	-	-	21.83	-	-	21.83
Less: Transfer to Retained Earnings	-	-	-	-	-	(1.86)	(1.86)
Less: Transfer to Debenture Redemption Reserve	-	-	-	125.00	-	-	125.00
Less: Transfer to General Reserve	-	-	-	322.44	-	-	322.44
Add: Transfer from OCI	-	-	-	(1.86)	-	-	(1.86)
Add: Transfer from Retained Earnings	-	125.00	322.44	-	-	-	447.44
Other Equity as at 31-03-2016	1.38	125.00	2,840.94	99.91	2.42	-	3,069.65
Add: Profit for the year	-	-	-	649.29	-	-	649.29
Add: Other Comprehensive Income for the year	-	-	-	-	1.09	(2.33)	(1.24)
Total Comprehensive Income	-	-	-	649.29	1.09	(2.33)	648.05
Less: Transfer to Retained Earnings	-	-	-	-	-	(2.33)	(2.33)
Less: Transfer to General Reserve	-	75.00	-	546.87	-	-	621.87
Add: Transfer from Retained Earnings	-	-	546.87	-	-	-	546.87
Add: Transfer from OCI	-	-	-	(2.33)	-	-	(2.33)
Add: Transfer from Debenture Redemption Reserve	-	-	75.00	-	-	-	75.00
Other Equity as at 31-03-2017	1.38	50.00	3,462.81	200.00	3.51	-	3,717.70

As per our report annexed

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Chief Financial Officer
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Secretary

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. Corporate Information

The Ramco Cements Limited is a Public Limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act 1956. The Registered office of the Company is located at "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu. The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

The Company is engaged in manufacture of Cement, Ready Mix Concrete and Dry Mortar products. The Company caters mainly to the domestic markets. The Company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 30-05-2017.

2. Basis of Preparation of Separate Financial Statements

2.1 The financial statements for the period up to 31-03-2016 were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Pursuant to the mandatory requirement for adoption of Ind AS as notified by MCA, the Company has prepared its financial statements for the year ended 31-03-2017 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. The comparative figures in the financial statements with respect to the previous year have been restated in accordance with Ind AS requirements. While preparing these financial statements, the Company has first prepared its opening Balance sheet as at 01-04-2015, the date of transition to Ind AS.

2.2 The significant accounting policies used in preparing the financial statements are set out in Note No.5.

2.3 The Company has considered its operating cycle to be 12 months for the purpose of Current or Non-current classification of assets and liabilities.

2.4 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

2.5 A liability is classified as current when it is expected to be settled in normal operating cycle or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

2.6 The financial statements are presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Crores.

3. First time adoption of Ind AS

The financial statements for the year ended 31-03-2017 are the first financial statements prepared in accordance with Ind AS. The Reconciliation and description of the effect of transition from previous GAAP to Ind AS on Equity, Statement of Profit and Loss and Cash flow are provided in Note 57. The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. All applicable Ind AS were applied consistently and retrospectively in preparation of the first Ind AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under Ind AS 101.

Estimates

The estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP unless there is objective evidence that those estimates were in error. Accordingly, the Company has not made any changes to estimates made in accordance with previous GAAP.



The mandatory exceptions to the retrospective application under Ind AS 101 that are applicable to the Company are as below:

Mandatory Exceptions under Ind AS 101	Compliance
Derecognition of previously recognised financial assets/financial liabilities	
An entity shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.	The Company has applied the de-recognition requirements prospectively.
Hedge accounting	
At the date of transition to Ind AS, an entity shall measure all derivatives at fair value and eliminate all deferred losses and gains arising on derivatives that were reported in accordance with previous GAAP as if they were assets or liabilities.	The Company has measured derivatives at fair value through profit and loss.
An entity shall not reflect in its opening Ind AS Balance Sheet a hedging relationship that does not qualify for hedge accounting in accordance with Ind AS 109.	The Company does not have any hedging relationship that meets the qualifying criteria for Hedge accounting.
Classification and measurement of financial assets	
Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.	The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.
Impairment of Financial Assets	
Impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort.	The Company has applied impairment requirements retrospectively.
Government Loans	
A first-time adopter shall classify all Government loans received as a financial liability or any equity instrument in accordance with Ind AS 32, Financial Instruments Presentation. If a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below market rate of interest on a basis of consistent with Ind AS requirements, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. An entity shall apply Ind AS 109 to the measurement of such loans after the date of transition to Ind AS. An entity shall apply the requirements of Ind AS 109 and Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to Government loans existing at the date of transition to Ind AS and shall not recognise the corresponding benefit of the Government loan at a below market rate of interest as a Government grant.	The Company will apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet.

The voluntary exemptions to the retrospective application under Ind AS 101 that are applicable to the Company are as below:

Voluntary Exemption under Ind AS 101	Option exercised
Deemed Cost	
An entity may elect to measure an item of property, plant and equipment and intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of property, plant and equipment, intangibles by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost.	The Company has opted to continue with the carrying amount for all of its property, plant and equipment and intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition.

THE RAMCO CEMENTS LIMITED

Voluntary Exemption under Ind AS 101	Option exercised
Investments in Subsidiary and Associates	
An entity is required to account for its investments in subsidiaries, joint ventures and associates either (a) at cost; or (b) in accordance with Ind AS 109. Such cost shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or Previous GAAP carrying amount at that date.	The Company has opted to measure its investment in subsidiaries/ associates as per the previous GAAP carrying amount as at the date of transition to Ind AS.
Designation of previously recognised financial instruments	
An entity may designate an investment in an equity instrument as at fair value through other comprehensive income (FVTOCI) in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.	The Company has designated all equity instruments in companies other than subsidiary/associates at FVTOCI, based on the assessment made on the date of transition to Ind AS.
Stripping costs in the production phase of a surface mine	
As at transition date to Ind ASs, any previously recognised asset balance that resulted from stripping activity undertaken during the production phase shall be reclassified as a part of an existing asset to which the stripping activity related, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances shall be depreciated or amortised over the remaining expected useful life of the identified component of the ore body to which each predecessor stripping asset balance relates.	The Company has already capitalised the stripping asset as an Intangible Asset viz. Mine Development. The amortisation of mine development is based on Unit of Production method.

4 Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 5.18 - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value.

5. Significant Accounting Policies

5.1 Inventories

5.1.1 Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. 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.

5.1.2 Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Process stock.

5.1.3 Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition including excise duty. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

5.2 Statement of Cash Flow

5.2.1 Cash flows are presented using indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

5.2.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash.

5.2.3 Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a



component of cash and cash equivalents for the purpose of statement of Cash flow.

5.3 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes is recognised directly in Equity.

5.4 Income Taxes

5.4.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income tax Act, 1961 and other applicable tax laws.

5.4.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

5.4.3 Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

5.4.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

5.4.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

5.4.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.

5.4.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

5.5 Property, plant and equipments (PPE)

5.5.1 PPEs are stated at cost of acquisition or construction (net of CENVAT/VAT wherever applicable) less accumulated

depreciation/amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

The company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria in accordance with Ind AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

5.5.2 The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings	3 to 60 years
Plant and equipments - Cement	2 to 60 years
Plant and equipments - Ready mix concrete	10 to 25 years
Plant and equipments - Dry mortar products	5 to 25 years
Thermal power plants	5 to 60 years
Windmills	5 to 30 years
Workshop and Quarry equipments	8 to 25 years

5.5.3 PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash

transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

- 5.5.4 PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognised in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.
- 5.5.5 Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.
- 5.5.6 Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold.
- 5.5.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress

- 5.5.8 Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

5.6 Leases

- 5.6.1 The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.
- 5.6.2 The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts and payments are recognised in the Statement of Profit and Loss on accrual basis as per the lease terms. The Company do not have any finance leases.
- 5.6.3 The amount paid for securing right to use of lands qualify as Operating lease and the amount paid for leasehold land is classified as "Lease prepayments" under prepaid expenses, which are amortised over the tenure of lease.

5.7 Revenue Recognition

- 5.7.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

5.7.2 Revenue from Operations

Sale of products

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which coincides with the delivery of goods. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Power generated from Windmills

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue. Power generated from windmills that are covered under power purchase agreement with TANGEDCO are recognised at the rate fixed by respective State Electricity Regulatory Commissions, upon transmission of energy to the grids of the State Electricity Board and the same is classified as "Sale of surplus power generated from windmills".

Scrap sale

Scrap sale is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods including excise duty excluding applicable taxes on sale.

Industrial Promotion Assistance

This being in the nature of Government grants, which are recognised at fair value when the Company's right to receive the same is established with reasonable assurance.

5.7.3 Other Income

- Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- Dividend income is recognised when the Company's right to receive dividend is established.
- Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.



- d. Value of Carbon credits are recognised when the Company's right to receive the same is established.
- e. Income from merchant power, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised upon transmission of energy to the grids of the State Electricity Board after netting off expenses attributable to it.

5.8 Employee Benefits

- 5.8.1 Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- 5.8.2 Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.
- 5.8.3 The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Company has no further obligations.
- 5.8.4 The Company also contributes for superannuation a sum equivalent to 15% of the officer's eligible annual basic salary. Out of the said 15% contribution, a sum upto ₹ 1.50 Lacs per annum is remitted to The Ramco Cements Limited Officer's Superannuation Fund administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no further obligations in respect of the above contribution plan.
- 5.8.5 The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Company makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, including for its employees in subsidiary Company, based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method.
- 5.8.6 The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial

valuation as at the Balance Sheet date, using Projected Unit Credit method.

- 5.8.7 Remeasurement of net defined benefit asset/liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged/credited to Other Comprehensive Income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

5.9 Government Grants

- 5.9.1 Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- 5.9.2 In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".
- 5.9.3 The soft loan from government is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of soft loan from government at a below-market rate of interest is treated as a government grant and classified as "Deferred Grant". It is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The said deferred grant is amortized over the useful life of the underlying asset.

5.10 Foreign currency transactions

- 5.10.1 The financial statements are presented in Indian Rupees, which is also the Company's functional currency.
- 5.10.2 All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.
- 5.10.3 Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.
- 5.10.4 Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the date of transaction.

Foreign Branch Operations

- 5.10.5 Income and expenditure transactions are translated to functional currency using monthly moving average exchange rate.
- 5.10.6 Monetary assets and liabilities of foreign branch as at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.
- 5.10.7 Non-monetary items of foreign branch are carried at historical cost denominated in foreign currency and are reported using the exchange rates at the transaction date.

5.11 Borrowing Costs

- 5.11.1 Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- 5.11.2 Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost are expensed in the period in which they occur.

5.12 Earnings per Share

- 5.12.1 Profit after tax is divided by the weighted average number of equity shares including un-allotted bonus shares outstanding during the year.
- 5.12.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Profit for the purpose of computing Earnings per share.
- 5.12.3 The Company do not have any potential equity shares.

5.13 Impairment of Non-financial Assets

- 5.13.1 The carrying values of assets include property, plant and equipment, investment properties, cash generating units

and intangible assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

- 5.13.2 Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.
- 5.13.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.
- 5.13.4 An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

5.14 Provisions, Contingent Liabilities and Contingent Assets

- 5.14.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.
- 5.14.2 Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- 5.14.3 The Company provides for the estimated expenses at fair value that are required to restore mines. The estimated restoration expenses are determined based on the estimated mineral reserves available. The actual expenses may vary based on the nature of restoration and estimate of restoration expenses. Mines restoration expenses are incurred on an on-going basis until the closure of mines. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates and expected timing of these costs. The provision for this expense is included under "Cost of materials consumed" to the extent such mineral reserves were used in the production. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.
- 5.14.4 Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.



5.14.5 Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

5.15 Intangible Assets

- 5.15.1 The costs incurred in connection with securing right to extract mineral reserves are capitalised under "Mining Rights" and the costs of stripping overburden to gain access to limestone deposits and the present value of restoration liability, if materially significant, to the extent of exposed overburden area are capitalised under "Mine Development".
- 5.15.2 The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- 5.15.3 The cost incurred for right to un-restricted usage of power transmission system for sale of power from Company's captive thermal power plants to State grid and for drawal of power from State grid to its plant were capitalized as the Company is expected to yield future economic benefits.
- 5.15.4 Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team. Its accounting classification is given below:

Nature of Intangible assets	Estimated useful life
Mining rights	Over the period of mining lease
Mine Development	Unit of production method
Computer software	6 years
Power transmission system	5 years

Amortisation of Intangible assets	Accounting classification
Mining rights	Depreciation & Amortisation
Mine Development	Cost of materials consumed
Computer software	Depreciation & Amortisation
Power transmission system - Sale of power - Purchase of power	Income from merchant power Power & Fuel

- 5.15.5 The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

- 5.15.6 The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

5.16 Investment Properties

- 5.16.1 An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- 5.16.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.
- 5.16.3 The company identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
- 5.16.4 Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Asset type	Useful life ranging from
Buildings under Investment properties	3 to 60 years

- 5.16.5 Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount received towards investment properties that are impaired and derecognised in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.
- 5.16.6 The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

5.17 Operating Segments

The Company's business operation comprises of single operating segment viz., cement and cementitious materials. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

5.18 Financial Instruments

- 5.18.1 A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
- 5.18.2 Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.
- 5.18.3 The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets/liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial Assets

- 5.18.4 Financial assets comprises of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.
- 5.18.5 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:
- Amortised cost; or
 - Fair value through other comprehensive income (FVTOCI); or
 - Fair value through profit or loss (FVTPL)
- Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.
- 5.18.6 The Company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial

assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification / Business Model
Amortised cost
The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI
The objective of the Company is to collect its contractual cash flows and by selling financial assets.

Investment in equity of subsidiary and associates are carried at cost (i.e) previous GAAP carrying amount as at the date of transition to Ind AS. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification / Name of Financial Assets
Amortised cost
Trade receivables, Loans and advances to subsidiary company, employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable.
FVTOCI
Equity investments in companies other than Subsidiary & Associates as an option exercised at the time of initial recognition.
FVTPL
Investments in mutual funds, forward exchange contracts.

- 5.18.7 Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:
- significant risk and rewards of the financial asset, or
 - control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset. The Company has applied the de-recognition requirements prospectively.



5.18.8 Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

5.18.9 For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Impairment testing methodology for Financial Assets
Trade receivables
Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets
When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

5.18.10 Financial liabilities comprises of Borrowings from Banks, Debentures, Soft loan/Interest free loan from Government, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.

5.18.11 The Company measures its financial liabilities as below:

Measurement basis / Name of Financial liabilities
Amortised cost
Borrowings, Debentures, Soft Loan/Interest free loan from Government, Trade payables, Interest accrued, Unclaimed/Disputed dividends, Security deposits, Mines restoration obligation and other financial liabilities not for trading.
FVTPL
Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

5.18.12 Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

5.18.13 Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.

5.18.14 Upon derecognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

5.19 Fair value measurement

5.19.1 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.

5.19.2 The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

5.19.3 All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

5.19.4 For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

5.19.5 For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

5.19.6 The basis for fair value determination for measurement and/or disclosure purposes is detailed below:

Investments in Equity/Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade and other receivables

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, soft loan from government, deferred sales tax liability, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial guarantee obligation

The fair value of financial guarantee obligation with reference to loan availed by subsidiary/associates is determined on the basis of estimated cost involved in securing equivalent size of the guarantees from bank.

Investment Properties

The fair value is determined for disclosure purposes based on an annual evaluation performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

6. Significant Estimates and Judgements

The preparation of the 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. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision for future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates/assumptions/judgements in preparation and presentation of financial statements:

Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by technical team duly reviewed by the management at each reporting date. Wherever the management believes that the assigned useful life and residual value are appropriate, such recommendations are accepted and adopted for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of Trade receivables

The impairment for financial assets are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.



Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Mine Development

In determining the allocation of mine development cost based on the unit of production method, assumptions and estimates are made by the management, in relation to the estimated mineral reserves available for the remaining period.

Mines Restoration Expenditure

In determining the provision for Mines restoration expenditure, assumptions and estimates are made by the management, in relation to discount rates, the expected mineral reserves, estimated cost to restore the mines and the expected timing of those costs.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation

are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associates even though it holds less than 20% of the voting rights.

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 7

PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Year	Gross Block			Depreciation			Impairment			Net Block		
		As at the beginning of the year	Additions	Deductions	As at the end of the year	For the year (Note 44)	Deductions	As at the end of the year	Impairment Loss for the year	Deductions	As at the end of the year	As at the beginning of the year	
Own assets	2016-17	448.06	43.36	0.18	491.24	-	-	-	-	-	-	491.24	448.06
	2015-16	426.93	21.32	0.19	448.06	-	-	-	-	-	-	448.06	426.93
	2016-17	733.32	41.27	0.77	773.82	36.36	0.41	198.70	0.35	0.35	-	575.12	570.57
	2015-16	664.29	69.03	-	733.32	35.17	-	162.75	-	-	-	570.57	536.71
	2016-17	5,816.04	216.43	17.18	6,015.29	2,173.92	190.14	9.85	7.24	7.24	1.27	3,659.81	3,640.85
	2015-16	5,621.81	200.74	6.51	5,816.04	233.07	3.20	2,173.92	0.42	0.42	1.27	3,640.85	3,676.49
	2016-17	114.59	0.76	-	115.35	30.28	7.44	-	-	-	-	77.63	84.31
	2015-16	68.89	45.70	-	114.59	25.51	4.77	-	-	-	-	84.31	43.38
	2016-17	46.65	2.16	2.16	46.65	33.45	3.49	1.93	0.01	0.01	-	11.64	13.20
	2015-16	46.63	0.98	0.96	46.65	30.43	3.93	0.91	-	-	-	13.20	16.20
	2016-17	63.75	-	-	63.75	49.64	1.24	-	-	-	-	12.87	14.11
	2015-16	70.85	0.92	8.02	63.75	54.87	2.39	7.62	0.04	0.04	-	14.11	15.98
	2016-17	38.86	2.87	1.55	40.18	16.11	3.57	1.29	0.02	0.02	-	21.79	22.75
	2015-16	32.73	6.34	0.21	38.86	12.95	3.37	0.21	-	-	-	22.75	19.78
	2016-17	45.86	3.89	1.20	48.55	30.42	5.19	1.12	0.02	0.02	-	14.06	15.44
	2015-16	42.88	3.76	0.78	45.86	25.50	5.65	0.73	0.04	0.04	-	15.44	17.38
	2016-17	24.66	4.03	2.71	25.98	12.31	2.44	1.89	-	-	-	13.12	12.35
2015-16	21.71	4.35	1.40	24.66	10.63	2.47	0.79	-	-	-	12.35	11.08	
Total	2016-17	7,331.79	314.77	25.75	7,620.81	249.87	16.49	2,742.26	7.64	7.64	1.27	4,877.28	4,821.64
	2015-16	6,996.72	353.14	48.07	7,331.79	290.82	13.46	2,508.88	0.50	0.50	1.27	4,821.64	4,763.93

Notes

- (a) The Company has opted to use previous GAAP carrying amount as Deemed cost as at the date of transition to Ind AS (i.e As at 01-04-2015). However, as per the FAQ issued by Accounting Standard Board of ICAI, the above information regarding gross block of assets, accumulated depreciation and provision for impairment under Previous GAAP is provided as an additional disclosure and the same is not considered for subsequent recognition and/or measurement purposes.
- (b) No Borrowings cost have been capitalised for both current and previous year.
- (c) The carrying amount of movable fixed assets of the Company and immovable properties (excluding mining lands) pertaining to Cement plant located at Alathiyur, Ariyalur, Ramasamy Raja Nagar, Jayanthipuram, Mathodu, Chengalpattu, Salem have been pledged by way of pari passu first charge as security for Long term Borrowings (Note 25).
- (d) Deductions in Gross Block comprises of:

Particulars	2016-17			2015-16		
	Sale of Assets	Impairment of Assets	Total	Sale of Assets	Impairment of Assets	Total
Land	0.18	-	0.18	0.19	-	0.19
Building	0.09	0.68	0.77	-	-	-
Plant and Equipments	0.35	16.83	17.18	0.24	6.27	6.51
Workshop and Quarry Equipments	2.14	0.02	2.16	0.96	-	0.96
Research and Development Equipments	-	-	-	7.36	0.66	8.02
Furniture and Fixtures	0.69	0.86	1.55	0.10	0.11	0.21
Office Equipments	0.88	0.32	1.20	0.10	0.68	0.78
Vehicles	2.71	-	2.71	1.40	-	1.40
Total	7.04	18.71	25.75	10.35	7.72	18.07



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 8

CAPITAL WORK IN PROGRESS (CWIP)

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under PPE	As at the end of the year
Buildings	2016-17	30.81	36.84	41.27	26.38
	2015-16	37.23	62.61	69.03	30.81
Plant & Equipments	2016-17	105.75	179.97	216.43	69.29
	2015-16	182.91	123.58	200.74	105.75
Railway Siding	2016-17	1.75	0.76	0.76	1.75
	2015-16	37.38	10.07	45.70	1.75
Total	2016-17	138.31	217.57	258.46	97.42
	2015-16	257.52	196.26	315.47	138.31

Note 9

INVESTMENT PROPERTY

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Net Block	
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year	As at the beginning of the year
Land	2016-17	142.60	-	-	142.60	-	-	-	-	142.60	142.60
	2015-16	142.63	-	0.03	142.60	-	-	-	-	142.60	142.63
Buildings	2016-17	96.35	16.28	-	112.63	11.52	3.08	-	14.60	98.03	84.83
	2015-16	90.64	5.71	-	96.35	8.86	2.66	-	11.52	84.83	81.78
Total	2016-17	238.95	16.28	-	255.23	11.52	3.08	-	14.60	240.63	227.43
	2015-16	233.27	5.71	0.03	238.95	8.86	2.66	-	11.52	227.43	224.41

Notes

- (a) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.
- (b) The fair valuation of these investment properties are determined by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets and further moderated by market-corroborated inputs.
- (c) The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- (d) Deductions represents investment properties sold.

Information regarding Income & Expenditure of Investment Property

₹ In Crores

Particulars	31-03-2017	31-03-2016
Rental Income derived from Investment Properties	7.50	7.40
Less: Direct Operating Expenses (including Repairs & Maintenance) generating Rental Income	0.19	0.22
Less: Direct Operating Expenses (including Repairs & Maintenance) that did not generate Rental Income	-	-
Profit from investment properties before depreciation	7.31	7.18
Less: Depreciation	3.08	2.66
Profit from investment properties	4.23	4.52

Information regarding Fair value of Investment Property

₹ In Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Fair value of Investment Properties	385.52	461.57	388.92

Note

The fair valuation of the investment properties are determined annually by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. All resulting fair value estimates for investment properties are included in Level 2.

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 10

INTANGIBLE ASSETS

₹ In Crores

Particulars	Year	Gross Block				Amortisation				Net Block	
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year	As at the beginning of the year
Mining rights	2016-17	33.77	0.26	8.46	25.57	19.38	1.59	8.46	12.51	13.06	14.39
	2015-16	33.38	0.39	-	33.77	18.16	1.22	-	19.38	14.39	15.22
Mine Development	2016-17	88.96	6.81	24.84	70.93	57.22	16.20	24.84	48.58	22.35	31.74
	2015-16	82.33	6.63	-	88.96	39.78	17.44	-	57.22	31.74	42.55
Computer Software	2016-17	61.80	9.19	-	70.99	32.72	10.99	-	43.71	27.28	29.08
	2015-16	59.39	4.92	2.51	61.80	25.14	10.09	2.51	32.72	29.08	34.25
Power Transmission System	2016-17	12.96	0.86	-	13.82	8.65	2.76	-	11.41	2.41	4.31
	2015-16	12.96	-	-	12.96	6.06	2.59	-	8.65	4.31	6.90
Total	2016-17	197.49	17.12	33.30	181.31	117.97	31.54	33.30	116.21	65.10	79.52
	2015-16	188.06	11.94	2.51	197.49	89.14	31.34	2.51	117.97	79.52	98.92

Notes

(a) The Company has opted to use previous GAAP carrying amount as Deemed cost as at the date of transition to Ind AS (i.e As at 01-04-2015). However, as per the FAQ issued by Accounting Standard Board of ICAI, the above information regarding gross block of assets, accumulated amortisation and provision for impairment under Previous GAAP is provided as an additional disclosure and the same is not considered for subsequent recognition and/or measurement purposes.

(b) Deductions represents impaired intangible assets de-recognised from the financial statements since no future economic benefit is expected.

Note 11

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under		As at the end of the year
				CWIP	Intangible Asset	
Mine Development	2016-17	5.78	23.87	-	6.81	22.84
	2015-16	5.14	7.27	-	6.63	5.78
Power Transmission System	2016-17	2.75	-	1.89	0.86	-
	2015-16	-	2.75	-	-	2.75
Total	2016-17	8.53	23.87	1.89	7.67	22.84
	2015-16	5.14	10.02	-	6.63	8.53



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 12

INVESTMENTS IN SUBSIDIARY AND ASSOCIATES

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
		Number	Amount	Number	Amount	Number	Amount
Quoted Investments - Fully paid up Equity Shares							
Associate Companies (measured at Deemed Cost)							
Ramco Systems Limited	10	54,17,810	90.56	54,17,810	90.56	54,17,810	90.56
Ramco Industries Limited	1	1,33,72,500	20.53	1,33,72,500	20.53	1,33,72,500	20.53
Rajapalayam Mills Limited	10	25,600	0.29	25,600	0.29	7,25,600	8.12
Total Quoted Investments (A)			111.38		111.38		119.21
Unquoted Investments - Fully paid up Equity Shares							
Subsidiary Company (measured at Deemed Cost)							
Ramco Windfarms Limited	1	71,50,000	1.84	71,50,000	1.84	71,50,000	1.84
Sub-total			1.84		1.84		1.84
Associate Companies (measured at Deemed Cost)							
Madurai Trans Carrier Limited	1	5,37,50,000	5.37	5,37,50,000	5.37	-	-
Lynks Logistics Limited	1	3,19,00,000	3.19	19,00,000	0.19	-	-
Sri Vishnu Shankar Mill Limited	10	2,100	0.01	2,100	0.01	2,100	0.01
Sub-total			8.57		5.57		0.01
Total Unquoted Investments (B)			10.41		7.41		1.85
Total Investments in Subsidiary/Associates (A+B)			121.79		118.79		121.06
Aggregate Market Value of Quoted Investments			530.25		507.09		463.73
Aggregate Amount of Impairment in value of Investments			-		-		-

Notes

- (a) The Company has opted to use previous GAAP carrying amount as 'Deemed Cost', for investments in Subsidiary and Associates.
- (b) The Company has recognised the fair value of transaction cost amounting to ₹ 1.12 Crores and ₹ 2.50 Crores on financial guarantees as part of Cost of Investment on initial recognition, for the financial guarantees given on behalf of Ramco Windfarms Limited and Ramco Systems Limited respectively.

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 12a

OTHER INVESTMENTS

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
		Number	Amount	Number	Amount	Number	Amount
Quoted Investments							
Equity Investments fully paid up (designated at FVTOCI)							
Associated Cements Company Limited	10	103	0.02	103	0.01	103	0.02
India Cements Limited	10	58	0.00	58	0.00	58	0.00
Andhra Cements Limited	10	27	0.00	27	0.00	27	0.00
Heidelberg Cements India Limited	10	170	0.00	170	0.00	170	0.00
Housing Development Finance Corporation Limited	2	17,400	2.61	17,400	1.92	17,400	2.29
HDFC Bank Limited	2	2,500	0.36	2,500	0.27	2,500	0.25
Indbank Merchant Banking Services Limited	10	50,000	0.07	50,000	0.04	50,000	0.05
Tamil Nadu News Print & Papers Limited	10	22,700	0.71	22,700	0.50	22,700	0.29
Indian Bank	10	2,792	0.08	2,792	0.03	2,792	0.05
Industrial Development Bank of India Limited	10	14,240	0.11	14,240	0.10	14,240	0.10
Sub-total			3.96		2.87		3.05
Investments in Mutual Funds (measured at FVTPL)							
HDFC Mutual Fund	10	1,56,696	0.45	1,45,786	0.37	1,37,197	0.37
Sub-total			0.45		0.37		0.37
Total Quoted Investments (A)			4.41		3.24		3.42
Aggregate Market Value of Quoted Investments			4.41		3.24		3.42
Unquoted Investments - Fully paid up Equity Shares							
Other entities (designated at FVTOCI)							
AP Gas Power Corporation Limited	10	16,08,000	22.12	16,08,000	22.12	16,08,000	22.12
Chettinad Cement Corporation Limited	10	-	-	-	-	100	0.00
The Ramco Cements Employees' Co-operative Stores Ltd.	10	250	0.00	250	0.00	250	0.00
Total Unquoted Investments (B)			22.12		22.12		22.12
Total Other Investments (A+B)			26.53		25.36		25.54

NOTE 13

LOANS AND ADVANCES (NON-CURRENT)

Secured and Considered Good

Loans and advances to employees	9.87	9.64	9.73
Loans and advances to service providers	2.39	0.72	1.83

Unsecured and Considered Good

Loans and advances to Subsidiary company (Note 52[c3])	31.42	31.94	7.40
Loans and advances to employees	2.53	3.05	1.73
Loans and advances to service providers	0.08	-	-

Total	46.29	45.35	20.69
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Notes

- (a) Loans and advances are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.
- (b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores		
	31-03-2017	31-03-2016	01-04-2015
NOTE 14			
OTHER FINANCIAL ASSETS (NON-CURRENT)			
Unsecured and Considered Good			
Deposit with Government Departments	9.81	11.72	16.62
Total	<u>9.81</u>	<u>11.72</u>	<u>16.62</u>
NOTE 15			
OTHER NON-CURRENT ASSETS			
Secured and Considered Good			
Capital Advances	2.27	7.65	10.30
Unsecured and Considered Good			
Capital Advances	4.12	6.75	8.67
Deposits under protest, in Appeals (Note 47.2.1 to 47.2.24)	32.47	35.31	36.75
Balance/Claims with Government Departments	2.24	4.06	2.97
Income Tax Refund receivable	28.86	20.21	13.95
Prepaid Expenses	12.66	11.08	10.37
Total	<u>82.62</u>	<u>85.06</u>	<u>83.01</u>

Notes

- (a) Capital Advances are secured by way of Bank guarantees.
- (b) The Company's petition filed against the judgement upholding the validity of "The Cess and Other Taxes on Minerals (Validation) Act, 1992" in the Supreme Court has been ruled in company's favour. Pursuant to the above judgement, the Company is entitled to receive a sum of ₹ 1.50 Crores (As at 31-03-2016: ₹ 1.50 Crores; As at 01-04-2015: ₹ 1.50 Crores) from the Government of Tamil Nadu, which is included in 'Balance/Claims with Government Departments'.
- (c) Prepaid Expenses include ₹ 3.60 Crores (As at 31-03-2016: ₹ 3.74 Crores; As at 01-04-2015: ₹ 3.88 Crores) towards unamortised upfront premium paid towards lease of land and out of which, ₹ 0.14 Crores (As at 31-03-2016: ₹ 0.14 Crores; As at 01-04-2015: ₹ 0.14 Crores) have been classified under Other current assets.

NOTE 16

INVENTORIES	31-03-2017	31-03-2016	01-04-2015
(Valued at lower of Cost or Net Realisable Value)			
Raw materials	179.58	171.29	156.15
Stores, Spares, Fuel and Packing Materials	306.77	273.42	253.96
Work-in-progress	48.48	58.91	60.38
Finished goods	40.60	45.40	50.09
Total	<u>575.43</u>	<u>549.02</u>	<u>520.58</u>

Notes

- (a) Finished goods includes Goods-in-transit of ₹ 8.81 Crores (As at 31-03-2016: ₹ 8.55 Crores; As at 01-04-2015: ₹ 2.91 Crores).
- (b) The total carrying amount of inventories as at the reporting date has been pledged as security for Borrowings.

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 17			
LOANS AND ADVANCES (CURRENT)			
Secured and Considered Good			
Loans and advances to employees	3.12	3.22	3.42
Loans and advances to service providers	2.75	3.37	6.51
Unsecured and Considered Good			
Loans and advances to Associates (Note 52[c3])	10.24	4.72	3.04
Loans and advances to other related parties (Note 52[c3])	7.33	6.91	4.67
Loans and advances to employees	3.73	2.74	1.99
Loans and advances to service providers	0.09	-	-
Total	27.26	20.96	19.63

Notes

(a) Loans and advances are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.

NOTE 18	31-03-2017	31-03-2016	01-04-2015
TRADE RECEIVABLES			
Secured and considered good	366.84	279.46	218.70
Unsecured and considered good	188.06	192.66	163.58
Unsecured and considered Doubtful	9.92	10.25	10.25
Less: Impairment of Trade Receivables	(9.92)	(10.25)	(10.25)
Total	554.90	472.12	382.28

Notes

(a) Unsecured Trade Receivables include

Dues from State Electricity Boards towards Sale of Power	132.21	140.49	119.02
Dues from State Government departments towards Sale of Cement	15.68	19.54	18.24
Dues from Associates towards Sale of Cement	0.04	0.32	0.02
Dues from Other Related party towards Sale of Cement	-	0.01	0.23

Total **147.93** **160.36** **137.51**

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

(c) Trade receivables are non-interest bearing and are generally on terms of around 30 days. However, for certain receivables of wind power, overdue interest is applicable (Ref Note No.37[a]).

(d) The receivables from the related parties are furnished in Note 52[c1].

(e) The total carrying amount of trade receivables has been pledged as security for Borrowings.

NOTE 19	31-03-2017	31-03-2016	01-04-2015
CASH AND CASH EQUIVALENTS			
Cash on hand	0.10	0.09	0.13
Imprest balances	0.03	0.03	0.03
Balances with Banks in Current Account	81.52	83.70	57.18
Total	81.65	83.82	57.34



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
NOTE 20			
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS			
Fixed Deposits with original maturity of more than 3 months but less than 12 months	32.47	2.20	26.04
Earmarked Balance with Banks for Unclaimed/Disputed Dividend	3.96	4.75	4.33
Total	36.43	6.95	30.37

Notes

Fixed Deposits comprises -

- (a) ₹ 25.86 Crores (As at 31-03-2016: Nil; As at 01-04-2015: ₹ 25.86 Crores) deposited by the Company as per the directions issued by Competition Appellate Tribunal in the matter of alleged cartelisation (Refer Note No.47.2.7).
- (b) ₹ 4.50 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil) deposited in an escrow account towards buy-back of shares.
- (c) ₹ 2.11 Crores (As at 31-03-2016: ₹ 2.20 Crores; As at 01-04-2015: ₹ 0.18 Crores) which is held towards security to various Government Departments.

NOTE 21

	31-03-2017	31-03-2016	01-04-2015
OTHER FINANCIAL ASSETS (CURRENT)			
Unsecured and Considered Good			
Advances/Claims receivable	17.14	12.40	13.23
Deposits with Government Departments	0.54	0.55	0.52
Industrial Promotion Assistance receivable	10.12	15.06	101.00
Interest receivable	1.56	0.56	1.30
Unbilled Revenue	1.87	0.95	2.26
Total	31.23	29.52	118.31

Notes

(a) Industrial Promotion Assistance receivable include -

- Government of Andhra Pradesh for ₹ 10.12 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil)
- Government of West Bengal for ₹ Nil (As at 31-03-2016: ₹ 15.06 Crores; As at 01-04-2015: ₹ 101.00 Crores)

(b) Unbilled Revenue represent the value of power evacuated to grid but not billed under -

- Power purchase agreement for wind power for ₹ 1.77 Crores (As at 31-03-2016: ₹ 0.71 Crores; As at 01-04-2015: ₹ 1.20 Crores).
- Wheeling & Banking arrangement for the realisable value of unadjusted units of wind power of ₹ 0.10 Crores (As at 31-03-2016: ₹ 0.04 Crores; As at 01-04-2015: ₹ 0.12 Crores).
- Power purchase agreement from captive thermal power plants - ₹ Nil (As at 31-03-2016: ₹ 0.20 Crores; As at 01-04-2015: ₹ 0.94 Crores)

NOTE 22

	31-03-2017	31-03-2016	01-04-2015
OTHER CURRENT ASSETS			
Balance/Claims with Government Departments	53.54	98.86	63.39
Advances to Suppliers & Service providers	26.46	22.16	31.31
Tax Credit - Indirect taxes	26.01	43.18	42.65
Prepaid Expenses	5.68	5.87	6.99
Total	111.69	170.07	144.34

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		₹ In Crores	
	31-03-2017	31-03-2016	01-04-2015
NOTE 23			
EQUITY SHARE CAPITAL			
Authorised			
25,00,00,000 Equity Shares of ₹ 1/- each (As at 31-03-2016 & 01-04-2015: 25,00,00,000 Equity Shares of ₹ 1/- each)	25.00	25.00	25.00
Issued, Subscribed and Fully paid-up			
23,80,76,780 Equity Shares of ₹ 1/- each (As at 31-03-2016 & 01-04-2015: 23,80,76,780 Equity Shares of ₹ 1/- each)	23.81	23.81	23.81

Note

2,33,600 bonus shares (As at 31-03-2016: 2,33,600 bonus shares; As at 01-04-2015: 2,33,600 bonus shares) of ₹ 1/- each remain unallotted pending completion of required formalities.

(i) Reconciliation of the number of shares

No. of equity shares at the beginning of the year	23,80,76,780	23,80,76,780	23,79,69,380
Bonus Issue allotted during the year	-	-	1,07,400
No. of Equity shares at the end of the year	23,80,76,780	23,80,76,780	23,80,76,780

(ii) Term/Rights/Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 1/- each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shareholders holding more than 5 percent in the Company and/or Shares held by Associates

	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Ramco Industries Limited	4,93,12,420	20.71	4,93,12,420	20.71	4,93,12,420	20.71
Rajapalayam Mills Limited	3,29,05,000	13.82	3,29,05,000	13.82	3,29,05,000	13.82
Sri Vishnu Shankar Mill Limited	38,83,200	1.63	38,83,200	1.63	38,83,200	1.63
The Ramaraju Surgical Cotton Mills Limited	36,24,000	1.52	36,24,000	1.52	36,24,000	1.52
Sudharsanam Investments Limited	29,82,600	1.25	29,82,600	1.25	29,82,600	1.25

(iv) Aggregate number of equity shares of ₹1/- each allotted as fully paid up by way of Bonus Shares during the period of five years immediately preceding the reporting date

1,07,400	1,07,400	1,07,400
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Note

The Board of Directors have approved buy-back of shares on 07-02-2017, with minimum buy-back size of ₹ 90 Crores but upto a maximum size of ₹ 180 crores at a price not exceeding ₹ 720/- per share subject to minimum of 12.50 lakhs shares and maximum of 25 lakhs shares. The buy-back period is from 20-02-2017 to 18-08-2017. The buy-back is proposed to be carried out through Open Market purchases on the Stock Exchanges. The Company has not bought back any shares till 31-03-2017. However, the Company has so far purchased 15,60,150 Shares at an average rate of ₹ 671/- per share at a total cost of ₹ 104.71 Crores from 01-04-2017 till the date of board meeting.



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores		
	31-03-2017	31-03-2016	01-04-2015
NOTE 24			
OTHER EQUITY			
Capital Redemption Reserve			
Balance as per last financial statement	1.38	1.38	1.38
Nature of Reserve			
<i>Capital Redemption Reserve was created for a sum equivalent to its face value at the time of Buy-back of Shares in the earlier years. The Company can use this reserve for issuing fully paid up Bonus shares.</i>			
Debenture Redemption Reserve			
Balance as per last financial statement	125.00	-	-
Add: Amount transferred from Retained Earnings	-	125.00	-
Less: Amount transferred to General Reserve to the extent of Debentures redeemed	75.00	-	-
Total	50.00	125.00	-
Nature of Reserve			
<i>Debenture Redemption Reserve represents statutory reserve for Non-convertible Debentures issued. This is in accordance with Companies Act, 2013, where in a portion of profit are appropriated each year equivalent to 25% of the face value of debentures issued and outstanding as at the reporting date. This reserve will be released upon redemption of debentures.</i>			
General Reserve			
Balance as per last financial statement	2,840.94	2,518.50	2,518.50
Add: Amount transferred from Debenture Redemption Reserve	75.00	-	-
Add: Amount transferred from Retained Earnings	546.87	322.44	-
Total	3,462.81	2,840.94	2,518.50
Nature of Reserve			
<i>General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.</i>			
Retained Earnings			
Balance as per last financial statement	99.91	136.09	101.50
Add: Adjustments on account of transition to Ind AS (Note 57[V])	-	-	34.59
Add: Profit for the year	649.29	542.19	-
Add: Transfer from FVTOCI Reserve	(2.33)	(1.86)	-
Balance available for Appropriations	746.87	676.42	136.09
Less: Appropriations			
Interim Dividend (₹ 3 per share)	-	71.49	-
Dividend Distribution Tax on Interim Dividend	-	14.56	-
Final Dividend (₹ 1.50 per share)	-	35.75	-
Dividend Distribution Tax on Final Dividend	-	7.27	-
Transfer to Debenture Redemption Reserve	-	125.00	-
Transfer to General reserve	546.87	322.44	-
Total Appropriations	546.87	576.51	-
Total	200.00	99.91	136.09
Nature of Reserve			
<i>Retained Earnings represent the undistributed profits of the Company remaining after transfer to other Reserves.</i>			

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
Fair Value through Other Comprehensive Income Reserve			
Balance as per last financial statement	2.42	2.60	-
Other Comprehensive Income for the year	(1.24)	(2.04)	2.60
	<u>1.18</u>	<u>0.56</u>	<u>2.60</u>
Less: Transfer to Retained Earnings	(2.33)	(1.86)	-
	<u>3.51</u>	<u>2.42</u>	<u>2.60</u>

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss/gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Total	<u><u>3,717.70</u></u>	<u><u>3,069.65</u></u>	<u><u>2,658.57</u></u>
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Note

The Board of Directors have recommended the payment of Final Dividend of ₹ 3/- per share for the year 2016-17 (FY 2015-16: Nil). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

NOTE 25

LONG TERM BORROWINGS	31-03-2017	31-03-2016	01-04-2015
Secured			
Redeemable Non Convertible Debentures (NCDs) at par			
8.55% Non Convertible Debentures	-	99.76	-
8.70% Non Convertible Debentures	-	99.85	-
Term Loans from Banks	66.68	367.43	1,199.09
Soft Loan from Government	122.90	118.27	110.77
Unsecured			
Interest free Deferred Sales tax liability	314.05	361.79	398.74
Total	<u><u>503.63</u></u>	<u><u>1,047.10</u></u>	<u><u>1,708.60</u></u>

Notes

(a) Redeemable Non Convertible Debentures at par

- 8.55% NCDs are secured by *Pari passu* first charge, by way of hypothecation, on the movable fixed assets of the company, both present and future.
- 8.70% NCDs are secured by *Pari passu* first charge, by way of mortgage, on the immovable properties, both present and future, pertaining to cement plant at Alathiyur, Tamil Nadu.
- As per Ind AS 109, the processing fees (i.e) transaction cost on Borrowings is adjusted against the borrowings upon initial recognition and the same is amortised based on Effective Interest Rate method over the tenure of the Borrowings. The un-amortised transaction cost adjusted against Borrowings as at the reporting date is Nil (As at 31-03-2016: ₹ 0.39 Crores; As at 01-04-2015: Nil). The effective Interest rate for 8.55% NCDs is 8.63% and for 8.70% NCDs is 8.78%.

(b) Term Loans from Banks

- Pari passu* first charge, by way of hypothecation, on the movable fixed assets of the company, both present and future.
- Pari passu* first charge, by way of mortgage, on the immovable properties, both present and future, pertaining to company's integrated cement plants.
- Term Loan from Banks carry an Effective Interest Rate of 8.30% repayable in the year 2018-19 and 2019-20 amounting to ₹ 33.32 Crores and ₹ 33.36 Crores respectively.
- The un-amortised transaction cost adjusted against Term Loan from Banks as at the reporting date is Nil (As at 31-03-2016: ₹ 0.02 Crores; As at 01-04-2015: ₹ 1.42 Crores).



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

(c) Soft Loan from Government

- (i) The Company has opted to apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. The Company has done the fair value measurement for the soft loan availed after the date of transition. The difference between fair value of the loan and the carrying amount is classified as Deferred Grant.

Particulars	31-03-2017	31-03-2016	01-04-2015
Soft Loan availed prior to the date of transition, for which Previous GAAP carrying amount is considered as carrying amount as per exemption provided Ind AS 101	110.77	110.77	110.77
Add: Fair value of Soft Loan on initial recognition, for the loans availed post Ind AS transition (Actual Loan availed during 2016-17 is ₹ 10.00 Crores; 2015-16: ₹ 18.60 Crores)	10.83	7.04	-
Add: Interest accrued on the fair value of soft loan as at the reporting date	1.30	0.46	-
Total	122.90	118.27	110.77

- (ii) *Pari passu* first charge, by way of hypothecation on the movable fixed assets and mortgage on the immovable properties pertaining to Cement unit located in Ariyalur, Expansion at Ramasamy Raja Nagar Plant, Grinding units at Chengalpattu and Salem.
- (iii) This loan carries an interest rate of 0.10% p.a. and are repayable upon completion of 10th year from the date of availment.
- (iv) Undiscounted value of the soft loan from government being, ₹ 139.37 Crores (Fair value as at the reporting date is ₹ 122.90 Crores), are repayable as per the schedule given below:

Repayment Due	Instalment Amount
April 2022	30.74
April 2023	50.01
April 2024	30.02
April 2025	18.60
April 2026	10.00
Total	139.37

(d) Interest free Deferred Sales tax Liability

- (i) The Company has opted to apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. The Company has not availed any interest free loan after the transition date.
- (ii) The Company has availed Interest free Deferred Sales tax liability from State Government under Deferral Sales tax scheme for the Investments made in Alathiyur and Jayanthipuram plant.
- (iii) The maturity profile of Interest free Deferred Sales tax liability is given below:

Repayment Due	No. of Instalments	Instalment Amount
2018 - 19	12	69.21
2019 - 20	12	99.75
2020 - 21	7	63.69
2021 - 22	-	-
2022 - 23	4	16.24
2023 - 24	9	38.21
2024 - 25	4	18.64
2025 - 26	3	8.31
Total	51	314.05

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

	31-03-2017	31-03-2016	01-04-2015
NOTE 26			
PROVISIONS (LONG TERM)			
Provision for Mines Restoration Obligation	3.61	1.64	-
Total	3.61	1.64	-

Notes

(a) The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in Cost of materials consumed. The unwinding of discount on provision is shown as Finance Costs in the Statement of Profit and Loss.

(b) Movement in Provisions for Mines Restoration Obligation

Carrying amount as at the beginning of the year	1.64	-	-
Add: Provision created during the year	1.70	1.49	-
Add: Unwinding of discount on provisions	0.27	0.15	-
Carrying amount as at the end of the year	3.61	1.64	-

NOTE 27

DEFERRED GOVERNMENT GRANTS (NON-CURRENT)

	31-03-2017	31-03-2016	01-04-2015
Deferred Government Grant	11.48	7.71	-
Total	11.48	7.71	-

Notes

(a) Deferred Government Grants comprises of -

- Fair value of Interest benefit below market rate of Interest pertaining to Soft Loan from Government is recognised as Deferred Grant and recognised as Grant Income over the useful life of the underlying PPE.
- Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as 'Grant Income' over the useful life of the underlying PPE.

(b) Movement in Government Grants

As at the beginning of the year	8.29	-	-
Add: Recognition of Deferred Grant - Soft Loan from Government (Note 25[c])	6.21	11.56	-
Add: Recognition of Deferred Grant - IPA for Infrastructure facilities	1.00	-	-
Less: Recognised as Grant Income in the Statement of Profit and Loss (Note 36)	3.06	3.27	-
Total Deferred Government Grant	12.44	8.29	-
Less: Current portion of Government Grant (Note 33)	0.96	0.58	-
Non-Current Deferred Government Grants	11.48	7.71	-

NOTE 28

DEFERRED TAX LIABILITIES (NET)

Nature of Liability/(Asset)	Balance Sheet			Statement of Profit and Loss	
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016
Tax Impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	880.30	862.07	834.71	18.23	27.36
Tax impact on amortization of intangible assets	0.83	1.49	2.38	(0.66)	(0.89)
Tax impact on provision for compensated absences	(8.12)	(7.43)	(6.48)	(0.69)	(0.95)
Tax impact on provision for bad and doubtful debts	(3.43)	(3.55)	(3.55)	0.12	-
Tax Impact on fair valuation of loans and advances	(0.94)	(0.70)	(0.55)	(0.24)	(0.15)
Tax Impact on MTM valuation of forward contract, not designated as hedges	(0.02)	(0.01)	(0.03)	(0.01)	0.02
Tax Impact on transaction cost of borrowings using effective interest rate method	0.02	0.13	0.49	(0.11)	(0.36)
Tax Impact on Asset related subsidy from Government	(0.15)	-	-	(0.15)	-
Tax Impact on remeasurement losses on defined benefit obligations (net)	(2.22)	(0.98)	-	(1.24)	(0.98)
Unused tax credits (i.e) MAT Credit Entitlement	(137.03)	(134.99)	(115.73)	(2.04)	(19.26)
Others	(1.10)	(0.51)	-	(0.59)	(0.51)
Total	728.14	715.52	711.24	12.62	4.28



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
Reconciliation of Deferred tax Liabilities (Net)		
Opening balance as at 1 st April	715.52	711.24
Deferred Tax Expense during the year recognised in Statement of Profit and Loss	13.86	5.26
Deferred Tax credit during the year recognised in OCI	(1.24)	(0.98)
Closing balance as at 31st March	728.14	715.52
Components of Tax Expenses		
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	187.00	149.76
Excess tax provision related to earlier years written back	-	(23.84)
Deferred Tax		
Relating to the origination and reversal of temporary differences	15.90	24.52
MAT Credit Recognition for current year	-	(19.26)
MAT Credit Recognition for previous year	(2.04)	-
Total Tax Expenses reported in Profit or Loss section	200.86	131.18
(ii) Other Comprehensive Income Section		
Deferred Tax credit on remeasurement losses on defined benefit obligations (net)	(1.24)	(0.98)
Total Tax Credit to OCI	(1.24)	(0.98)
(iii) Total Tax Expenses reported in Statement of Profit and Loss	199.62	130.20
Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the Income before taxes is summarised below:		
Accounting Profit before Tax (including OCI)	847.67	670.35
Corporate Tax Rate %	34.608%	34.608%
Computed Tax Expense	293.36	231.99
Increase/(reduction) in taxes on account of:		
Tax adjustments of earlier years	0.18	(23.84)
Non-deductible expenses	2.77	3.39
Income exempt/eligible for deduction under chapter VI-A	(83.77)	(73.93)
Additional allowances/deductions for tax purposes	(12.92)	(7.41)
Tax Expenses reported in the Statement of Profit and Loss	199.62	130.20

NOTE 29

SHORT TERM BORROWINGS	31-03-2017	31-03-2016	01-04-2015
Secured			
Loan from Banks	25.00	10.00	75.00
Buyers Credit in foreign currency	-	18.52	38.13
Cash credit	131.67	275.31	151.37
Unsecured			
Loans and advances from Director	17.35	4.81	0.33
Loan from Banks	-	321.98	26.88
Commercial Papers	460.49	-	208.59
Total	634.51	630.62	500.30

Notes

- (a) Borrowings are secured by way *Pari passu* first charge, by way of hypothecation on trade receivables and inventories of the company, present and future.
- (b) Loans and advances from Director represents amount due to Shri.P.R. Ramasubrahmaneya Rajha, Chairman and Managing Director, which carries an interest rate of 7.50% p.a. (PY: 8% p.a) amounting to ₹ 0.76 Crores (PY: ₹ 0.15 Crores).
- (c) Other short term borrowings carry interest ranging from 6.60% to 9.63% p.a.

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		₹ In Crores		
		31-03-2017	31-03-2016	01-04-2015
NOTE 30				
TRADE PAYABLES				
Payables to Associates (Note 52[c2])		0.02	1.41	-
Others		255.77	213.24	233.67
Total		255.79	214.65	233.67

Note

There are no dues to Micro and Small Enterprises as at the reporting date (As at 31-03-2016: Nil; As at 01-04-2015: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of such parties have been identified on the basis of information available with the company.

	31-03-2017	31-03-2016	01-04-2015
NOTE 31			
OTHER FINANCIAL LIABILITIES			
Foreign Exchange Forward Contracts, not designated as hedges	0.06	0.46	1.17
Current Maturities of Long Term Borrowings	286.67	445.32	448.26
Interest accrued	9.62	16.58	3.76
Unclaimed dividends	2.79	4.01	3.74
Disputed Dividend	1.80	1.36	1.04
Unclaimed Matured Fixed Deposits	0.01	0.02	0.07
Security Deposits by			
- Associates (Note 52[c5] & Note 52[c6])	0.26	0.25	0.25
- Other related parties (Note 52[c5])	0.35	0.35	0.35
- Customers	614.67	504.35	366.20
- Service providers	3.81	3.28	2.17
Payables for Capital Goods			
- Associates (Note 52[c2])	-	-	0.22
- Others	24.34	17.42	44.80
Financial Guarantee Obligation	6.34	7.94	12.05
Book overdraft	45.85	71.04	53.31
Other payables	1.27	1.09	1.15
Total	997.84	1,073.47	938.54

Notes

- (a) Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates with certain payables in foreign currencies. These are not designated for hedge accounting and thus are measured at fair value through profit or loss. The details of forward contract outstanding as at the reporting date are given below:

Particulars	Currency	31-03-2017	31-03-2016	01-04-2015
Forward Contracts (Sell)	USD in Crores	0.34	0.28	0.90
Net (Gain)/Loss on Mark of Market in respect of forward contracts outstanding as at the reporting date	INR in Crores	0.06	0.46	1.17

- (b) Current maturities of Long term Borrowings comprises of maturities towards:

8.55% Non-convertible Debentures redeemable at par	99.96	200.00	-
8.70% Non-convertible Debentures redeemable at par	99.98	100.00	-
Term Loan from Banks	33.32	103.15	409.29
Interest free Deferred Sales tax liability	53.41	42.17	38.97
Total	286.67	445.32	448.26

The un-amortised transaction cost adjusted against current maturities as at the reporting date is ₹ 0.06 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil). The details with regard to nature of security are furnished in Note No.25.

- (c) Unclaimed Dividend/ Matured Fixed deposits represent amount not due for transfer to Investor Education and Protection Fund.
(d) Disputed Dividend represent amounts claimed by the dividend warrant holders, which are subject matter of pending legal disputes.
(e) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
NOTE 32			
PROVISIONS (SHORT TERM)			
Provision for Compensated absences	23.46	21.48	18.72
Provision for disputed income tax liabilities	23.05	15.24	25.67
Total	46.51	36.72	44.39

Notes

(a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(b) Movement in Provisions for compensated absences

Carrying amount as at the beginning of the year	21.48	18.72	16.52
Add: Current Service Cost	0.98	0.88	0.81
Add: Interest Cost	1.68	1.39	1.41
Add: Actuarial Loss	0.72	1.70	1.64
Less: Benefits paid	1.40	1.21	1.66
Carrying amount as at the end of the year	23.46	21.48	18.72

(c) The Company provides for income tax liability based on the various disallowances in the assessments.

(d) Movement in Provisions for disputed income tax liabilities

Carrying amount as at the beginning of the year	15.24	25.67	28.13
Add: Provision reclassified from Liabilities for current tax	7.81	13.41	-
Less: Excess provision written back during the year	-	23.84	2.46
Carrying amount as at the end of the year	23.05	15.24	25.67

NOTE 33	31-03-2017	31-03-2016	01-04-2015
DEFERRED GOVERNMENT GRANTS (CURRENT)			
Deferred Government Grants (Note 27)	0.96	0.58	-
Total	0.96	0.58	-

NOTE 34	31-03-2017	31-03-2016	01-04-2015
LIABILITIES FOR CURRENT TAX			
Provision for Current tax	4.54	5.56	6.23
Total	4.54	5.56	6.23

Note

Provision for current tax is after netting of advance tax/TDS of ₹ 182.46 Crores (As at 31-03-2016: ₹ 144.20 Crores; As at 01-04-2015: ₹ 68.68 Crores).

NOTE 35	31-03-2017	31-03-2016	01-04-2015
OTHER CURRENT LIABILITIES			
Statutory liabilities payable	50.43	50.10	48.84
Advances from Customers	29.95	17.04	15.50
Total	80.38	67.14	64.34

Note

Advances from Customers are received in the normal course of business and adjusted against subsequent supplies.

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 36		
REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Sales		
Cement	4,366.27	3967.33
Clinker	16.35	0.27
Dry Mortar Product	28.86	30.95
Ready Mix Concrete	7.61	8.48
Export Sales		
Cement - Direct Exports	33.44	43.92
Cement - Deemed Exports	16.89	13.69
Cement - Sale through Foreign branch	2.02	-
Dry Mortar Product - Direct Exports	-	0.32
Other Operating Revenue		
Sale of surplus power generated from Windmills	72.44	43.35
Scrap Sales	10.79	10.80
Industrial Promotion Assistance	6.50	8.53
Deferred Grant Income (Note 27)	3.06	3.27
Total	4,564.23	4,130.91

Notes

- (a) Sale of Products and Scraps include Excise Duty (Ref Note 41).
- (b) The Company has generated 27.47 Crore units (PY: 16.43 Crore units) net of wheeling and banking at windfarms.
- (c) Out of 27.47 Crore units (PY: 16.43 Crore units) of power generated,
- 23.93 Crore units (PY: 14.22 Crore units) were sold to TANGEDCO for ₹ 72.44 crores (PY: ₹ 43.35 Crores) shown under "Sale of surplus power generated from windmills".
 - 3.11 Crore units (PY: 2.16 Crore units) were consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer.
 - 0.39 Crore units (PY: 0.04 Crore units) were adjusted towards transmission loss.
 - Unadjusted units eligible for adjustment in subsequent periods is 0.04 Crore units (PY: 0.01 Crore) units. The monetary value of such units is ₹ 0.10 Crores (PY: ₹ 0.04 Crores) and the same is included in 'Unbilled Revenue' under 'Other Financial Assets'.
- (d) Industrial Promotion Assistance from:
- Government of Andhra Pradesh for ₹ 6.50 Crores (PY: Nil) under IDP 2015-20 Scheme.
 - Government of West Bengal for ₹ Nil (PY: ₹ 8.53) under West Bengal Incentive Scheme 2004.

	31-03-2017	31-03-2016
NOTE 37		
OTHER INCOME		
Interest Income	26.17	11.38
Dividend Income	0.09	1.32
Sundry Receipts	2.66	7.05
Rent Receipts	7.81	7.59
Carbon Credit sales	0.27	0.08
Profit on Sale of Equity shares of Associate	-	17.53
Income from merchant power	4.84	39.58
Gain on Exchange Difference (net)	0.18	3.90
Fair value gain on Mutual Funds	0.05	-
Profit on Sale of Fixed Assets (net)	0.73	-
Total	42.80	88.43



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

Notes

(a) Interest Income include interest received for settlement of overdue outstanding by TANGEDCO for ₹ 15.58 Crores (PY: Nil).

(b) Dividend Income comprises of amount received towards securities measured at:	31-03-2017	31-03-2016
Deemed Cost (Subsidiary and Associate Companies)	-	1.26
Fair value through Profit and Loss (FVTPL)	0.03	0.02
Fair value through Other Comprehensive Income (FVTOCI)	0.06	0.04
Total	0.09	1.32

(c) Operating lease rent receivable under non-cancellable leases for future periods from the reporting date as a Lessor:

Not Later than one year	7.56	7.53
Later than one year and not later than five years	7.90	14.89
Later than five years	8.92	9.36

(d) Sundry Receipts include Duty Drawback from Customs towards Exports of ₹ 0.32 Crores (PY: ₹ 0.40 Crores) and fair value recognition of financial guarantee contracts of ₹ 1.93 Crores (PY: ₹ 4.44 Crores).

(e) Income from merchant power is after netting off directly attributable expenses of ₹ 16.50 Crores (PY: ₹ 91.22 Crores) and Amortization of Power Transmission system of ₹ 0.71 Crores (PY: ₹ 1.97 Crores).

NOTE 38

COST OF MATERIALS CONSUMED

Lime stone	268.98	250.60
Pozzolona Material	90.93	90.99
Gypsum	32.91	35.71
Other Additives	60.52	68.75
Aggregates	9.60	4.12
Freight & Handling - Inter unit transfer	171.59	121.74
Material handling expenses	6.05	6.97
Total	640.58	578.88

NOTE 39

PURCHASE OF STOCK-IN-TRADE

Cement	31.07	-
Total	31.07	-

NOTE 40

CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Closing Stock

Finished Goods	40.60	45.40
Work-in-progress	48.48	58.91
	89.08	104.31

Opening stock

Finished Goods	45.40	50.09
Work-in-progress	58.91	60.38
	104.31	110.47

(Increase)/Decrease in stock	15.23	6.16
Excise Duty on Stock variance	(0.29)	3.78
Total	14.94	9.94

THE RAMCO CEMENTS LIMITED

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 41		
EXCISE DUTY ON SALE OF GOODS		
Excise Duty on Sale of Cement	608.30	553.05
Excise Duty on Sale of Clinker	2.18	0.03
Excise Duty on Sale of Dry Mortar Product	3.05	3.32
Excise Duty on Sale of Ready Mix Concrete	0.15	0.17
Excise Duty on Scrap Sales	1.01	1.08
Total	614.69	557.65
NOTE 42		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	232.91	217.32
Workmen and Staff welfare	22.52	20.77
Contribution to Provident Fund	12.80	12.18
Contribution to Gratuity Fund	2.19	2.02
Contribution to National Pension System	1.07	1.15
Contribution to Superannuation Fund	6.24	5.26
Total	277.73	258.70
NOTE 43		
FINANCE COSTS		
Interest on Term loans	61.70	162.01
Interest on Debentures	40.78	14.22
Exchange difference on foreign currency borrowings regarded as adjustment to interest cost	-	3.72
Others	1.04	1.91
Total	103.52	181.86
<i>Note</i>		
<i>Others include unwinding of discounts on provisions of ₹ 0.27 Crores (PY: ₹ 0.15 Crores)</i>		
NOTE 44		
DEPRECIATION & AMORTISATION EXPENSE		
Depreciation on Property, Plant & Equipment (Note 7)	249.87	290.82
Amortization of Intangible Assets (Note 10)	31.54	31.34
Depreciation on Investment Property (Note 9)	3.08	2.66
Sub-total	284.49	324.82
Less: Amortization of Intangible assets transferred to:		
Cost of Materials consumed	16.20	17.44
Profit on sale of Power from TPP	0.71	1.97
Power and Fuel	2.05	0.62
Total	265.53	304.79



NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 45		
OTHER EXPENSES		
Manufacturing Expenses		
Power & Fuel	518.46	526.97
Packing Materials consumption	149.86	139.03
Stores and Spares consumption	66.87	46.01
Repairs to Plant and equipments	53.30	51.17
Repairs to Buildings	11.81	10.60
Repairs to Vehicles and locomotives	8.09	6.27
General repairs	0.43	0.60
Establishment Expenses		
Managing Director Remuneration	44.42	36.08
IT & Communication expenses	19.12	16.15
Insurance	8.80	6.96
Outsourced establishment expenses	7.33	6.46
General Administration Expenses	3.22	3.20
Travelling expenses	17.55	13.99
Training & Development Expenses	0.28	0.15
Filing & Registration Fees	0.34	0.11
Rent	11.33	10.81
Miscellaneous Expenses	6.01	6.67
Legal and Consultancy expenses	2.99	2.92
Bank Charges	0.54	0.51
Cement Cess	0.21	0.54
Audit Fees and Expenses	0.34	0.35
Security Charges	14.79	13.06
Board Meeting expenses	0.06	0.07
Directors' Sitting fees	0.22	0.21
Impairment Loss on Assets	7.64	0.50
Donations	0.44	3.14
CSR expenditure	7.28	6.66
Input Tax Credit reversal	5.79	4.89
Rates and taxes	17.73	16.47
Loss on Sale of Fixed Assets	-	0.38
Selling and Distribution Expenses		
Transportation and Handling Expenses	738.27	671.90
Advertisement expenses	32.70	23.39
Sales Promotion expenses	40.02	19.22
Selling Agents' Commission	9.57	6.22
Other Selling expenses	2.29	2.21
Bad Debts written off	0.72	0.28
Total	1,808.82	1,654.15
Notes		
(a) Power and Fuel is net of revenue related grant of ₹ 4.78 Crores (PY:Nil) and include amortisation of power transmission system of ₹ 2.05 Crores (PY: ₹ 0.65 Crores).		
(b) Non cancelable long term operating lease obligations for future periods from the reporting date as a Lessee		
Not Later than one year	0.37	0.30
Later than one year and not later than five years	0.98	0.95
Later than five years	4.15	4.37

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NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
(c) <i>Audit Fees and Expenses (net of CENVAT Credit)</i>		
Statutory Auditors		
- Statutory Audit [include Foreign Branch Audit fees of ₹ 0.01 Crores (PY: Nil)]	0.21	0.20
- Other Certification work	0.00	0.01
- Reimbursement of Expenses	0.03	0.04
Tax Auditors		
- Tax Audit	0.02	0.02
- Other Certification work	0.01	0.01
- Reimbursement of Expenses	0.00	0.00
Cost Auditors		
- Cost Audit	0.04	0.04
- Reimbursement of Expenses	0.00	0.00
Secretarial Auditors		
- Secretarial Audit	0.03	0.03
- Reimbursement of Expenses	0.00	0.00
Total	0.34	0.35

(d) The Company is required to spend gross CSR expenditure of ₹ 7.96 Crores for the year (PY: ₹ 7.33 Crores) in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. As against this, the company has spent ₹ 7.28 Crores (PY: ₹ 6.66 Crores) in the following categories, in cash, for the purposes other than the construction/acquisition of asset:

Categories	31-03-2017	31-03-2016
Rural Development Projects	3.67	3.10
Promotion of Education	0.53	0.58
Promotion of Health Care including Preventive Health Care	0.67	0.37
Protection of Art and Culture	0.03	0.07
Restoration of Building and Sites of Historical importance and Works of Art	0.76	0.80
Eradication of Hunger	0.77	0.95
Making available Safe Drinking Water	0.09	0.21
Protection of National heritage Art and culture	0.19	0.32
Promotion of Nationally recognised Sports, Rural sports & Paralympic sports	0.27	0.09
Environmental Sustainability	0.01	0.06
Vocational Skill Training	0.13	0.01
Promotion and Development of Traditional Art	0.01	0.01
Livelihood Enhancement Projects	0.05	0.05
Contribution for setting up of Homes and Hostels for Women and Orphans	0.09	0.04
Measures for the benefit of Armed forces	0.01	-
Total	7.28	6.66

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary



DISCLOSURES FORMING PART OF SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

46.	Commitments	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	98.74	91.97	111.26

47.	Contingent Liabilities	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
47.1	Guarantees given by the bankers on behalf of company	89.96	31.60	55.29
47.2	Demands/Claims not acknowledged as Debts in respect of matters in appeals relating to -			
	Income Tax (Ref Note 47.2.1)	29.02	3.37	23.76
	VAT & Input Tax Credit, CST (Ref Note 47.2.2)	79.79	84.17	93.51
	Excise Duty, CENVAT Credit (Ref Note 47.2.3)	564.13	548.17	468.52
	Customs Duty (Ref Note 47.2.4)	32.60	32.60	32.60
	Other demands (Ref Note 47.2.5 to 47.2.24)	298.50	293.70	293.16

47.2.1 Income tax assessments have been completed up to the accounting year ended 31-03-2013 i.e., Assessment Year 2013-14. The company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. As against the tax demand of ₹ 29.02 Crores (As at 31-03-2016: ₹ 3.37 Crores; As at 01-04-2015: ₹ 23.76 Crores), the department has adjusted ₹ 29.02 Crores (As at 31-03-2016: ₹ 3.37 Crores; As at 01-04-2015: ₹ 10.55 Crores) against refund due/tax credits. In the opinion of Management, there may not be any tax liability with regard to the said disallowances and the refunds so adjusted for ₹ 3.37 Crores are held in "Deposits under protest, in appeals" under other non-current assets and balance amount of ₹ 25.65 Crores were adjusted by the department against the tax credits available.

47.2.2 The VAT authority in the State of Tamil Nadu has issued notices proposing to disallow input tax credit under Tamil Nadu VAT Act, 2006 for ₹ 68.32 Crores for the years 2011-12 to 2014-15. Challenging the said notices, the Company has filed writ petitions in the Madurai Bench of Madras High Court and these are pending.

A sum of ₹ 3.89 Crores (As at 31-03-2016: ₹ 4.26 Crores; As at 01-04-2015: ₹ 4.81 Crores) have been paid under protest, as against net tax demands amounting to ₹ 11.47 Crores (As at 31-03-2016: ₹ 15.85 Crores; As at 01-04-2015: ₹ 25.19 Crores), in respect of other statutory appeals with the Appellate Authorities under State Sales tax Acts/VAT Acts & CST Act in various states. The amount paid under protest is held in "Deposits under protest, in appeals" under other non-current assets.

47.2.3 Differential Excise Duty on cement in "Bulk & Cement supplies to industrial consumers" including penalty amounting to ₹ 252.42 Crores (As at 31-03-2016: ₹ 251.93 Crores; As at 01-04-2015: ₹ 268.43 Crores) demanded by the Department, denying the concession provided under relevant notifications, remain unpaid as at 31-03-2017. The Tribunals have allowed company's appeals in this matter. The Department's appeal was also dismissed by Karnataka High court in a similar issue pertaining to another cement company. But the department has preferred an appeal before the Supreme Court against Tribunal orders in this matter. However periodical demands are being issued to the company by the department in this matter in view of pendency of its appeal in the Supreme Court.

Demands due to CENVAT credit disallowance on some of the inputs, capital goods, service tax on goods transports and levy of differential Excise Duty with consequential interest and penalty, as on 31-03-2017, amounts to ₹ 298.05 Crores (As at 31-03-2016: ₹ 280.23 Crores; As at 01-04-2015: ₹ 188.87 Crores) remain unpaid, against which the company has objected/preferred appeals that are pending adjudication. Out of the aggregate disputes of ₹ 298.05 Crores, the Company had favourable orders from the lower authority for ₹ 64.71 Crores (As at 31-03-2016: ₹ 30.06 Crores; As at 01-04-2015: ₹ 15.55 Crores) against which the Department has preferred appeals. The Company has paid so far ₹ 17.29 Crores (As at 31-03-2016: ₹ 16.01 Crores; As at 01-04-2015: ₹ 11.22 Crores) as pre-deposit in compliance of the interim orders by the appellate authorities. Out of ₹ 17.29 Crores, a sum of ₹ 3.63 Crores were expensed and the balance amount of ₹ 13.66 Crores is held in "Deposits under protest, in appeals" under other non-current assets.

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- 47.2.4 The Classification of import of "Steam coal" was challenged by the Customs Department for the period from 17-03-2012 to 28-2-2013 for the imports made by the company as well as other importers across the country. The Department has sought to re-classify the "Steam coal" as "Bituminous coal" and levy duty accordingly. While imposing the above said differential duties, the Department has denied the benefit of the Notification No.46/2011-Cus dated 01-06-2011, a concession provided for levy of duty based on origin of goods. Subsequently the Department has allowed the benefit of above said notification upon the direction from the Honourable Madras High court in the writ filed by the company in one of the appeals. Accordingly the aggregate demand is re-quantified to ₹ 9.16 crores as differential customs duty and ₹ 12.62 Crores as differential CVD. Apart from that a penalty of ₹ 7.22 crores and redemption fine of ₹ 3.60 Crores were also imposed. Had the benefit of the Notification No.46/2011-Cus dated 01-06-2011 been granted in all cases as claimed by the company, the duty liability would have been ₹ 4.37 crores towards differential customs duty and ₹ 11.47 crores towards differential CVD. The company has filed statutory appeals before CESTAT against the said re-classification. The company has paid so far ₹ 3.55 crores as pre-deposit in compliance of the interim orders by the appellate authorities and the same is held in "Deposits under protest, in appeals" under other non-current assets.
- 47.2.5 TANGEDCO has raised a demand towards compensation charges of ₹ 0.92 Crores alleging that the Company has exceeded the quota of power consumption during evening peak hours. The Company has filed writ petition before the High Court of Madras and the same has been admitted. However the Company had deposited the amount of ₹ 0.92 Crores under protest and the same is held in "Deposits under protest, in appeals" under other non-current assets.
- 47.2.6 Government of Karnataka has imposed Environmental Protection Fee of ₹ 5.80 crores, in connection with Company's mining leases. In the writ petitions filed by the Company and other similarly affected companies, the High Court of Karnataka, has stayed the imposition of the fee. As per the interim order, the Company has deposited a sum of ₹ 2.90 Crores (As at 31-03-2016: ₹ 2.90 Crores; As at 01-04-2015: ₹ 2.90 Crores) and the same is held in "Deposits under protest, in appeals" under other non-current assets.
- 47.2.7 The Competition Commission of India (CCI), vide its order dated 20-06-2012 had imposed a penalty of ₹ 258.63 Crores on the Company for alleged cartelisation with select cement manufacturers. Upon appeal filed by the affected companies, the Competition Appellate Tribunal (COMPAT) by its order dated 11-12-2015 set aside the CCI's order and remitted the matter back for fresh adjudication. After re-hearing, the CCI has restored the same penalty again vide its order dated 31-08-2016. The Company has again filed an appeal before COMPAT. In compliance of interim order of COMPAT, the company has deposited ₹ 25.86 Crores, being 10% of the impugned penalty. The said amount so deposited is classified under "Bank Balances other than Cash and Cash Equivalents". The appeal is pending. Based on the legal opinion, the Company believes that it has a good case and hence no provision is made.
- 47.2.8 The Writ Petitions filed by the company in the Madras High Court against Tamil Nadu Electricity Board (TNEB) towards levy of electricity tax at 15% on the generation of power from captive generator sets using furnace oil are pending. The levy pertains to the period 01-01-1992 to 30-10-1997. The total disputed amount of ₹ 1.34 Crores has been paid under protest and the same is held in "Deposits under protest, in appeals" under other non-current assets.
- 47.2.9 TNEB has imposed ₹ 1.39 crores towards penalty, alleging shortfall in lifting of fly ash as per the terms of MoU entered into with the Company. TNEB has made the calculation based on the estimation of fly ash quantity that could have been generated for the quantity of coal used by them, instead of ascertaining the actual availability of fly ash generated by them. The Company has obtained stay orders against the penalty from High Court of Madras.
- 47.2.10 The Company had entered into MoU with TNEB for sourcing fly ash from their thermal power stations. Ignoring the company's right vested under MoU, it was proposed by TNEB to introduce auction unilaterally, for disposal of fly ash. Further TNEB has also proposed to increase the rate from ₹ 350/- to ₹ 700/- per ton towards cost of fly ash from 01-03-2011. In the writ petitions filed by the Company and other similarly affected companies, the High Court of Madras, has fixed rate at ₹ 540/- per ton. Challenging the above order, the company filed a review petition and obtained an interim order fixing the rate at ₹ 410/- per ton. Based on the interim order, the company has paid at the rate of ₹ 410/- per ton. The final decision from the court is awaited.
- 47.2.11 Southern Power Distribution Company of Andhra Pradesh Limited has demanded an amount of ₹ 0.32 Crores towards alleged excess load factor incentives allowed by them. The Company has filed an appeal before High Court of Andhra Pradesh and obtained an order of interim stay.
- 47.2.12 Andhra Pradesh Transmission Corporation Limited (APTRANSCO) has levied ₹ 5.91 Crores as Fuel Surcharge Adjustment (FSA) for the period from Apr 2008 to Dec 2012. Out of that, the company has paid and expensed ₹ 3.85 Crores and the



balance amount of ₹ 2.06 Crores is not presently enforceable for the reasons that a part of the amount is covered in the appeal filed by the APTRANSCO before Supreme Court and the interim order granted in favour of the company by the AP High court. APERC has ordered that this FSA is not leviable from Jan 2013 onwards.

- 47.2.13 The Director of Geology & Mining, Government of Tamil Nadu had raised additional Royalty demand on limestone, based on production of cement by the company instead of basing it on actual quantity of limestone mined. The demand for the company is ₹ 9.66 Crores for the period from the year 1989 to year 2001. In the Writ petitions filed by the company and other similarly affected companies, the Madras High court has stayed the demands of the Government.
- 47.2.14 Water Resources Department of Public Works Department, Government of Tamil Nadu had raised a demand of ₹ 1.13 Crores contending that water charges are to be paid on the contracted quantity and not on the actual quantity of water drawn by the company from Arjuna River in Virudhunagar District. The demand pertains to the period from the year 1990 to 2009. The company has obtained interim stay from the High Court of Madras. As per the interim order, the Company has deposited a sum of ₹ 0.30 Crores with the Department and the same is held in "Deposits under protest, in appeals" under other non-current assets.
- 47.2.15 Environment, Forests Science & Technology Department, Government of Andhra Pradesh has increased the Royalty on the Limestone mined from the Forest Area from ₹ 5/- per permit to ₹ 10/- per ton from the year 2010-11 onwards. The company filed a writ petition before the High Court of Andhra Pradesh and obtained an interim order, to pay 1/3rd of the demand. As per the Court order, the company has paid and expensed ₹ 1.57 Crores, being the 1/3rd portion up to 31-03-2017. The balance amount of ₹ 3.15 Crores being 2/3rd portion remain unpaid.
- 47.2.16 New Industries set up in Tamil Nadu were eligible for Power Tariff Concession as per G.O.Ms. No.29 dated 31-01-1995, which was sought to be withdrawn to Industries set up after 14-02-1997 as per G.O.Ms. No.17 dated 14-02-1997. The eligibility for Power Tariff Concession for Alathiyur unit became a dispute between the Company and TNEB. Based on the interim order of the High Court of Madras, the Company had availed power tariff concession to the tune of ₹ 11.41 Crores and sought refund of unavailed concession of ₹ 1.80 Crores. The matter was finally settled by the Supreme Court, vide its judgement dated 16-05-2008, wherein it laid down criteria for ascertaining the eligibility for Power Tariff Concession for new industries and directed the TNEB to decide the eligibility for the Company based on the said criteria. However, vide its order dated 30-6-2008, the TNEB sought to introduce new criteria not enumerated in the Supreme Court judgement. Aggrieved, the Company filed a writ petition (WP No: 16348 of 2008) before the High Court of Madras, which by its judgement dated 13-11-2008 set aside the additional criteria not mentioned in the Supreme Court Judgement and confirmed the eligibility of Power Tariff Concession for the Company. TNEB has filed a writ appeal (WA No: 629 of 2010) in the High Court of Madras against the said order seeking disentitlement of power tariff concession already availed. The matter is pending before the High Court of Madras.
- 47.2.17 Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations, 2010, consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 9% and 0.5% of their energy requirements from wind and solar sources respectively. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its wind farms, it has been excluded for reckoning the obligatory consumption, since the company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Madras High Court and obtained an interim stay against the implementation of the said regulation.
- 47.2.18 TANGEDCO has levied "Scheduling & System Operation charges" for windmills under "Sale to Board" category at ₹ 600 per day per 2 MW based on their internal circular dated 25-11-2014. The annual impact of "Scheduling & System Operation charges" will be ₹ 1.02 Crores. The Company has filed a Writ Petition before the Madras High Court challenging the collection of said charges and obtained an interim stay against the "Scheduling & System Operation charges".
- 47.2.19 The Company had purchased around 40.36 acres of lands in Tamil Nadu after verification of title documents based on revenue records of the year 1987 as basis. Thereafter, the revenue officials verified the title documents and transferred the patta in the name of the Company. While this being so, the Sub-Collector, Ariyalur, by the order dated 10-02-2015, cancelled the said patta and reclassified the said land as Government poramboke 'Anadheenam lands' by placing reliance on revenue records of the year 1927. The Company has filed a Writ Petition before the Madras High Court challenging the said cancellation of patta and obtained an interim stay.

THE RAMCO CEMENTS LIMITED

- 47.2.20 The Government of West Bengal enacted "The West Bengal Tax on Entry of Goods into Local Areas Act, 2012" and writ petitions were filed by others challenging the validity of the said Act. The Calcutta High court held that the said Act was *ultra-vires*. Aggrieved, the Government has preferred an appeal before the Division Bench and obtained an interim direction to continue the Assessment proceedings only. Though the company has not received any demand, it has filed a petition to join in the case.
- 47.2.21 TANGEDCO had raised a demand of ₹ 4.28 Crores towards alleged incorrect adjustments of wind energy based on its Audit objections. Against the above demand, a sum of ₹ 2.54 crores was appropriated by TANGEDCO from the Company's Deposits with them and balance amount of ₹ 1.74 crores remain unpaid. The Company has challenged the said demand before the TNERC by filing a Petition on 30-05-2014 and the same is pending before the Commission.
- 47.2.22 The Department of Mines and Geology, Government of Karnataka by its order dated 31-10-2014 withdraw its mining lease granted to the company already granted for 30 hectares of forest land on a technical ground. Based on the writ petition filed by the company, the Honourable Karnataka High court has directed the State Government to consider the company's representation. The Government vide its order dated 10-01-2016 has rejected the company's representation. Aggrieved by the said order, the Company has again filed a writ petition before the Honourable Karnataka High Court and the same is pending.
- 47.2.23 The Special Deputy Collector (Stamps), Ariyalur had issued a notice demanding an amount of ₹ 0.65 Crores for alleged deficiency in stamp duty in purchase of lands. Against the demand, the Company filed an appeal before Honourable High Court of Madras and it is pending.
- 47.2.24 As per the Grid Connectivity and Intra State Open Access Regulations, the TNERC has authorised TANGEDCO to collect Parallel Operation Charges of ₹ 30,000/- per MW from the power generators whoever availing only parallel operation with grid but without availing open access. Even though the Company had open access approval, TANGEDCO had sent demand notice for parallel operation charges for a sum of ₹ 9.17 Crores levied retrospectively from 07-05-2014 to 31-12-2016. The Company has filed writ petition in the Honourable High Court of Madras and obtained the final order directing the TANGEDCO to settle the matter in TNERC within a reasonable period.

₹ In Crores

48.	Financial guarantees	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
	Guarantees given to banks to avail loan facilities by Related parties:			
	- Thanjavur Spinning Mill Limited	12.50	68.00	68.00
	- Sandhya Spinning Mill Limited	-	34.38	34.38
	- Ramco Systems Limited	-	-	250.00
	- Raja Charity Trust	100.00	100.00	100.00
	- Ramco Windfarms Limited	23.50	23.50	23.50

49. As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

₹ In Crores

Defined Contribution Plan

Particulars	31-03-2017	31-03-2016
Employer's Contribution to Provident Fund	12.79	12.18
Employer's Contribution to National Pension System (NPS)	1.07	1.15
Employer's Contribution to Superannuation Fund	6.24	5.26



Defined Benefit Plan (Gratuity) and Other Long term benefits (Compensated Absences)

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016

Reconciliation of Opening and Closing balances of Present Value of Obligation

Defined Benefit Obligation as at the beginning of the year	39.76	33.79	21.48	18.72
Current Service Cost	2.44	2.20	0.98	0.88
Interest Cost	3.16	2.55	1.68	1.39
Actuarial Loss	3.12	2.70	0.72	1.70
Benefits paid	(-) 1.56	(-) 1.48	(-) 1.40	(-) 1.21
Defined Benefit Obligation as at the end of the year	46.92	39.76	23.46	21.48

Reconciliation of Opening and Closing balances of Fair Value of Plan Assets

Fair value of Plan Assets as at the beginning of the year	39.76	33.79	Nil	Nil
Expected Return on Plan Assets	3.39	2.73	Nil	Nil
Actuarial Loss	(-) 0.45	(-) 0.14	Nil	Nil
Employer contribution	5.78	4.86	1.40	1.21
Benefits paid	(-) 1.56	(-) 1.48	(-) 1.40	(-) 1.21
Fair Value of Plan Assets as at the end of the year	46.92	39.76	Nil	Nil

Actual Return on Plan Assets

Expected Return on Plan Assets	3.39	2.73	Nil	Nil
Actuarial Loss on Plan Assets	(-) 0.45	(-) 0.14	Nil	Nil
Actual Return on Plan Assets	2.94	2.59	Nil	Nil

Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	46.92	39.76	Nil	Nil
Present value of Obligation	46.92	39.76	23.46	21.48
Difference	Nil	Nil	23.46	21.48
Amount recognized in Balance Sheet	Nil	Nil	23.46	21.48

Expense recognized during the year

Current Service Cost	2.44	2.20	0.98	0.88
Net Interest on obligations	(-) 0.23	(-) 0.18	1.68	1.39
Actuarial Loss/(Gain) recognised during the year	Nil	Nil	0.72	1.70
Past service cost	Nil	Nil	Nil	Nil
Expenses recognised in Statement of Profit and Loss	2.21	2.02	3.38	3.97

Note

Expenses recognised in Statement of Profit and Loss in respect of Gratuity Plan include ₹ 0.02 Crores (PY: Nil) pertaining to amount contributed in respect of Subsidiary company. However, the same was recovered from Subsidiary and credited to Contribution to Gratuity Fund.

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Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016

Amount recognised in the Other Comprehensive Income

Actuarial changes arising from:				
- Experience adjustments on Plan liabilities	1.43	2.35	Nil	Nil
- Experience adjustments on Plan Assets	0.45	0.14	Nil	Nil
- Changes in financial assumptions	1.69	0.35	Nil	Nil
- Changes in demographic assumptions	-	-	Nil	Nil
Amount recognised in OCI during the year	3.57	2.84	Nil	Nil

Investment Details

Funds with LIC	43.77	36.88	Nil	Nil
Bank balance	-	0.08	Nil	Nil
Interest, IT refund receivable and Others	3.15	2.80	Nil	Nil
Total	46.92	39.76	Nil	Nil

Actuarial assumptions

LIC 1996-98 Table applied for service mortality rate	Yes	Yes	Yes	Yes
Discount rate p.a	7.30%	8.10%	7.30%	8.10%
Expected rate of Return on Plan Assets p.a	7.30%	8.10%	Nil	Nil
Rate of escalation in salary p.a	3.25%	3.50%	3.25%	3.50%
Rate of Employee turnover	1.00%	1.00%	1.00%	1.00%

Estimate of Expected Benefit Payments

Year 1	7.35	6.03	3.41	3.14
Year 2	8.71	7.51	4.16	3.84
Year 3	3.39	2.82	1.62	1.22
Year 4	3.75	3.04	1.59	1.57
Year 5	4.01	3.44	1.65	1.57
Next 5 years	20.34	19.94	8.61	9.13

Gratuity Plan (Funded)	31-03-2017	31-03-2016
Enterprise's best estimate of contribution during next 12 months	6.34	5.76
Average Duration of defined benefit obligations (in years)	7.50	7.60



Quantitative Sensitivity Analysis for significant assumptions

Particulars	Effect on Gratuity Obligation		Effect on provision for Compensated Absences	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
0.50% Increase in Discount Rate	45.34	38.43	22.69	20.78
0.50% Decrease in Discount Rate	48.61	41.19	24.28	22.22
0.50% Increase in Salary Growth Rate	48.69	41.27	24.31	22.25
0.50% Decrease in Salary Growth Rate	45.26	38.35	22.66	20.75
0.50% Increase in Attrition Rate	47.53	40.36	23.74	21.77
0.50% Decrease in Attrition Rate	46.28	39.13	23.17	21.18

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

50. Earnings per Share

₹ In Crores

Particulars	31-03-2017	31-03-2016
Profit after tax (A)	649.29	542.19
Weighted average number of Equity shares including un-allotted Bonus shares (B) [In Crores]	23.83	23.83
Nominal value per equity share (in ₹)	1	1
Basic & Diluted Earnings per share (A)/(B) in ₹	27	23

51. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2017:

(a) Subsidiary

Name of the Company	Country of Incorporation	% of Shareholding as at		
		31-03-2017	31-03-2016	01-04-2015
Ramco Windfarms Limited	India	71.50	71.50	71.50

(b) Associates

Name of the Company	Country of Incorporation	% of Shareholding as at		
		31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	India	15.43	15.43	15.43
Ramco Systems Limited	India	17.82	18.06	22.21
Rajapalayam Mills Limited	India	0.35	0.35	9.84
Sri Vishnu Shankar Mill Limited	India	0.14	0.14	0.14
Madurai Trans Carrier Limited	India	29.86	29.86	-
Lynks Logistics Limited	India	45.57	19.00	-

THE RAMCO CEMENTS LIMITED

(c) Key Management Personnel (Including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
P.R. Ramasubrahmaneya Rajha	Chairman and Managing Director
P.R. Venketrama Raja	Non-Executive Director
A.V. Dharmakrishnan	Chief Executive Officer
S. Vaithyanathan	Chief Financial Officer
K. Selvanayagam	Company Secretary
R.S. Agarwal	Independent Director
M.B.N. Rao	Independent Director
M.M. Venkatachalam	Independent Director
Smt. Justice Chitra Venkataraman (Retd.)	Independent Director

(d) Relative of Key Management Personnel

Name of the Relative of KMP	Relationship
A.V. Dharmakrishnan (HUF)	A. V. Dharmakrishnan, Karta for HUF
R. Nalina Ramalakshmi	Daughter of P.R. Ramasubrahmaneya Rajha
S. Sharada Deepa	Daughter of P.R. Ramasubrahmaneya Rajha
B. Sri Sandhya Raju	Daughter of P.R. Venketrama Raja
P.V. Abinav Ramasubramaniam Raja	Son of P.R. Venketrama Raja

(e) Companies over which KMP/Relatives of KMP exercise significant influence

Rajapalayam Textile Limited	Thanjavur Spinning Mill Limited
Sandhya Spinning Mill Limited	The Ramaraju Surgical Cotton Mills Limited
Sri Harini Textiles Limited	Shri Harini Media Limited
JKR Enterprise Limited	Ontime Industrial Services Limited
Ramco Management Private Limited	Sudharsanam Investments Limited

(f) Employee Benefit Funds where control exists

The Ramco Cements Limited Officers' Superannuation Fund
The Ramco Cements Limited Employees' Gratuity Fund

(g) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	Gowrishankar Screws
PACR Sethurammammal Charity Trust	PACR Sethurammammal Charities
Ramco Welfare Trust	PAC Ramasamy Raja Education Charity Trust
Raja Charity Trust	Rajapalayam Rotary Trust
Shri Abhinava Vidya Theertha Seva Trust	Nachiar Charity Trust
Gowrihouse Metal Works	PAC Ramasamy Raja Centenary Trust
R. Sudarsanam & Co.	The Ramco Cements Limited Educational and Charitable Trust



52. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

(₹ In Crores)

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
1	Sale of Goods – Cement		
	Associates		
	Ramco Industries Limited	12.46	4.37
	Rajapalayam Mills Limited	0.04	0.09
	Sri Vishnu Shankar Mill Limited	0.03	0.03
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	0.01	0.01
	Thanjavur Spinning Mill Limited	0.01	0.01
	Sri Harini Textiles Limited	0.00	0.00
	The Ramaraju Surgical Cotton Mills Limited	0.93	0.69
	JKR Enterprise Limited	0.14	0.83
	Other entities over which there is a significant influence		
	Gowrihouse Metal Works	0.00	-
	Total	13.62	6.03
2	Sale of Electrical Energy		
	Associates		
	Ramco Industries Limited	-	0.72
	Sri Vishnu Shankar Mill Limited	-	0.94
	Rajapalayam Mills Limited	-	2.39
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	0.70
	Sandhya Spinning Mill Limited	-	0.75
	Rajapalayam Textile Limited	-	0.64
	Total	-	6.14
3	Sale of Goods – Fly ash		
	Associates		
	Ramco Industries Limited	0.03	0.39
	Total	0.03	0.39
4	Sale of Goods – Dry Mortar Product		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	0.03	-
	Total	0.03	-
5	Sale of Goods - Clinker		
	Associates		
	Ramco Industries Limited (including VAT of ₹ 0.98 Crores)	17.33	-
	Total	17.33	-

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S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
6	Sale of Goods – Stores & Spares		
	<i>Subsidiary</i>		
	Ramco Windfarms Limited	-	0.02
	Total	-	0.02
7	Purchase of Goods – Cement		
	<i>Associates</i>		
	Ramco Industries Limited (including VAT of ₹ 4.38 Crores)	35.45	-
	Total	35.45	-
8	Purchase of Goods – Fibre Sheet and Silicate Boards		
	<i>Associates</i>		
	Ramco Industries Limited	0.33	0.26
	Total	0.33	0.26
9	Purchase of Goods – Diesel and Petrol		
	<i>Other entities over which there is a significant influence</i>		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	0.22	0.20
	PACR Sethurammam Charity Trust	0.65	0.61
	Ramco Welfare Trust	0.35	0.27
	PACR Sethurammam Charities	0.24	0.15
	Total	1.46	1.23
10	Purchase of Goods – Magazine		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Shri Harini Media Limited	0.28	0.27
	Total	0.28	0.27
11	Purchase of Goods – Stores and Spares		
	<i>Subsidiary Company</i>		
	Ramco Windfarms Limited	0.02	0.01
	<i>Other entity over which there is a significant influence</i>		
	Gowrishankar Screws	-	0.00
	R. Sudarsanam & Co.	0.02	-
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	The Ramaraju Surgical Cotton Mills Limited	0.00	0.00
	Total	0.04	0.01
12	Receiving of Services – Transportation		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Ontime Industrial Services Limited	38.15	69.86
	Total	38.15	69.86
13	Receiving of Services – Manpower Supply		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Ontime Industrial Services Limited	9.25	7.33
	Total	9.25	7.33



S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
14	Receiving of Services – Advertisement		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Shri Harini Media Limited	0.05	0.05
	Total	0.05	0.05
15	Receiving of Services – Software Related Services		
	<i>Associates</i>		
	Ramco Systems Limited	21.11	15.46
	Total	21.11	15.46
16	Receiving of Services – Aircraft Charter Services		
	<i>Associates</i>		
	Madurai Trans Carrier Limited	7.04	1.74
	Total	7.04	1.74
17	Loans and Advances given/(received) During the Year (excluding Trade Advances)		
	<i>Subsidiary</i>		
	Ramco Windfarms Limited	0.52	27.77
	Total	0.52	27.77
18	Usage charges received for Power Consumed by virtue of Joint Ownership of Shares with APGPCL		
	<i>Associates</i>		
	Rajapalayam Mills Limited	0.02	0.02
	Sri Vishnu Shankar Mill Limited	0.02	0.02
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Sandhya Spinning Mill Limited	0.02	0.02
	Sri Harini Textiles Limited	0.02	0.02
	The Ramaraju Surgical Cotton Mills Limited	0.02	0.02
	Total	0.10	0.10
19	Leasing Arrangements – Rent Received		
	<i>Subsidiary</i>		
	Ramco Windfarms Limited	0.07	0.07
	<i>Associates</i>		
	Ramco Systems Limited	8.15	8.08
	Lynks Logistics Limited	0.09	0.00
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Ontime Industrial Services Limited	0.00	0.00
	<i>Other entity over which there is a significant influence</i>		
	Raja Charity Trust	0.39	0.28
	Total	8.70	8.43
20	Leasing Arrangements – Rent Paid		
	<i>Associates</i>		
	Ramco Industries Limited	0.00	-
	<i>Relative of Key Management Personnel</i>		
	A.V. Dharmakrishnan (HUF)	0.05	0.07
	<i>Other entity over which there is a significant influence</i>		
	Raja Charity Trust	0.00	0.00
	Total	0.05	0.07

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S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
21	Dividend received		
	Associates		
	Ramco Industries Limited	-	1.07
	Rajapalayam Mills Limited	-	0.19
	Total	-	1.26
22	Dividend Paid		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	-	1.70
	P.R. Venketrama Raja	-	0.45
	A.V. Dharmakrishnan	-	0.02
	S. Vaithiyanathan	-	0.00
	Associates		
	Ramco Industries Limited	-	22.19
	Rajapalayam Mills Limited	-	14.81
	Sri Vishnu Shankar Mill Limited	-	1.75
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	1.63
	Sudharsanam Investments Limited	-	1.34
	Ramco Management Private Limited	-	0.21
	Total	-	44.10
23	Remuneration to Key Management Personnel (Other than Sitting Fees)		
	P.R. Ramasubrahmaneya Rajha, Chairman & Managing Director	44.42	36.08
	A.V. Dharmakrishnan, Chief Executive Officer	10.98	9.36
	S. Vaithiyanathan, Chief Financial Officer	0.89	0.75
	K. Selvanayagam, Company Secretary	0.81	0.71
	Total	57.10	46.90
24	Directors' Sitting Fees		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	0.02	0.02
	P.R. Venketrama Raja	0.05	0.05
	R.S. Agarwal	0.05	0.05
	M.B.N. Rao	0.04	0.03
	M.M. Venkatachalam	0.04	0.04
	Smt. Justice Chitra Venkataraman (Retd.)	0.02	0.02
	Total	0.22	0.21
25	Shared Office Space - Interior		
	Associates		
	Ramco Industries Limited	-	0.38
	Total	-	0.38



S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
26	Sale of Fixed Assets		
	Associates		
	Madurai Trans Carrier Limited	-	0.03
	Sri Vishnu Shankar Mill Limited	0.33	-
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	0.33
	Other entity over which there is a significant influence		
	PACR Sethuramammal Charity Trust	-	0.02
	The Ramco Cements Limited Educational and Charitable Trust	0.24	-
	Total	0.57	0.38
27	Interest Received/(Paid)		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha - Interest Rate - 7.50% (PY: 8%)	(0.76)	(0.15)
	Subsidiary		
	Ramco Windfarms Limited – Interest Rate -10% (PY: 10.50% to 12%)	3.27	0.97
	Total	2.51	0.82
28	CSR/Donations given		
	Other entities over which there is a significant influence		
	PACR Sethuramammal Charity Trust	0.03	-
	Shri Abhinava Vidya Theertha Seva Trust	-	0.12
	Nachiar Charity Trust	-	0.04
	Total	0.03	0.16
29	Contribution to Superannuation Fund/Gratuity Fund		
	Employee Benefit Funds where Control Exists		
	The Ramco Cements Limited Officers' Superannuation Fund	6.24	5.26
	The Ramco Cements Limited Employees' Gratuity Fund	5.76	4.86
	Total	12.00	10.12
30	Investment in Equity Shares during the year		
	Associates		
	Madurai Trans Carrier Limited	-	5.38
	Lynks Logistics Limited	3.00	0.19
	Total	3.00	5.57
31	Sale of Investments during the year		
	Key Management Personnel		
	P.R. Venketrama Raja	-	25.35
	Total	-	25.35
32	Maximum amount of loans and advances outstanding during the year		
	Subsidiary		
	Ramco Windfarms Limited	36.37	31.94
	Total	36.37	31.94

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b. Transactions during the year not on Arm's length basis

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
1	Sale of Goods – Cement		
	<i>Other entities over which there is a significant influence</i>		
	Raja Charity Trust	0.04	0.02
	PAC Ramasamy Raja Education Charity Trust	0.05	0.07
	Rajapalayam Rotary Trust	0.00	0.09
	PACR Sethurammammal Charities	0.03	0.06
	PAC Ramasamy Raja Centenary Trust	0.02	-
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	-	0.04
	Total	0.14	0.28

c. Outstanding balances including commitments

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
1	Trade Receivables			
	<i>Associates</i>			
	Ramco Industries Limited	0.04	0.32	0.02
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>			
	The Ramaraju Surgical Cotton Mills Limited	-	-	0.00
	JKR Enterprise Limited	-	-	0.21
	<i>Other entities over which there is a significant influence</i>			
	PACR Sethurammammal Charities	0.00	0.01	-
	Raja Charity Trust	-	-	0.02
	Total	0.04	0.33	0.25
2	Payables			
	<i>Associates</i>			
	Ramco Systems Limited			
	- Trade payables	0.02	1.41	-
	- Other current Liabilities	-	-	0.22
	Total	0.02	1.41	0.22



S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
3	Loans and Advances			
	<i>Subsidiary</i>			
	Ramco Windfarms Limited	31.42	31.94	7.40
	<i>Associates</i>			
	Ramco Industries Limited	0.00	-	-
	Madurai Trans Carrier Limited	10.24	4.72	3.04
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>			
	Ontime Industrial Services Limited	5.24	4.52	1.17
	<i>Other entities over which there is a significant influence</i>			
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	0.82	0.63	0.72
	PACR Sethurammam Charity Trust	-	0.67	0.50
	Ramco Welfare Trust	1.27	1.09	1.08
	The Ramco Cements Limited Educational and Charitable Trust	-	-	1.06
	Raja Charity Trust	-	-	0.14
	Total	48.99	43.57	15.11
4	Borrowings			
	<i>Key Management Personnel</i>			
	P.R. Ramasubrahmaneya Rajha	17.35	4.81	0.33
	Total	17.35	4.81	0.33
5	Security Deposits received by virtue of Joint Ownership of shares with APGPCL			
	<i>Associates</i>			
	Rajapalayam Mills Limited	0.13	0.13	0.13
	Sri Vishnu Shankar Mill Limited	0.12	0.12	0.12
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>			
	Sandhya Spinning Mill Limited	0.12	0.12	0.12
	Sri Harini Textiles Limited	0.12	0.12	0.12
	The Ramaraju Surgical Cotton Mills Limited	0.11	0.11	0.11
	Total	0.60	0.60	0.60

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S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
6	Security Deposit received towards lease arrangement			
	Associates			
	Lynks Logistics Limited	0.01	-	-
	Total	0.01	-	-
7	Corporate Guarantees given to lenders of Related parties			
	Subsidiary			
	Ramco Windfarms Limited	23.50	23.50	23.50
	Associates			
	Ramco Systems Limited	-	-	250.00
	Companies over which KMP/Relatives of KMP exercise significant influence			
	Thanjavur Spinning Mill Limited	12.50	68.00	68.00
	Sandhya Spinning Mill Limited	-	34.38	34.38
	Other entity over which there is a significant influence			
	Raja Charity Trust	100.00	100.00	100.00
	Total	136.00	225.88	475.88

Note

The above outstanding balances at the respective reporting dates are unsecured and settlement occurs in cash or through provision of goods/services, in case of unadjusted advances.

Disclosure of Key Management Personnel compensation in total and for each of the following categories: ₹ in Crores

Particulars	31-03-2017	31-03-2016
Short – Term Benefits (1)	56.78	46.62
Defined Contribution Plan (2)	0.39	0.35
Defined Benefit Plan/Other Long-term benefits (3)	-	-
Total	57.17	46.97

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.



53 Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined 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. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category

₹ in Crores

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2017					
Financial Assets					
Other Investments	-	0.45	26.08	26.53	26.53
Loans and Advances	73.55	-	-	73.55	73.55
Trade Receivables	554.90	-	-	554.90	554.90
Cash and Bank Balances	118.08	-	-	118.08	118.08
Other Financial Assets	41.04	-	-	41.04	41.04
Financial Liabilities					
Borrowings	1,424.81	-	-	1,424.81	1,424.81
Trade Payables	255.79	-	-	255.79	255.79
Other Financial Liabilities	711.11	0.06	-	711.17	711.17
As at 31-03-2016					
Financial Assets					
Other Investments	-	0.37	24.99	25.36	25.36
Loans and Advances	66.31	-	-	66.31	66.31
Trade Receivables	472.12	-	-	472.12	472.12
Cash and Bank Balances	90.77	-	-	90.77	90.77
Other Financial Assets	41.24	-	-	41.24	41.24
Financial Liabilities					
Borrowings	2,123.04	-	-	2,123.04	2,123.04
Trade Payables	214.65	-	-	214.65	214.65
Other Financial Liabilities	627.69	0.46	-	628.15	628.15
As at 01-04-2015					
Financial Assets					
Other Investments	-	0.37	25.17	25.54	25.54
Loans and Advances	40.32	-	-	40.32	40.32
Trade Receivables	382.28	-	-	382.28	382.28
Cash and Bank Balances	87.71	-	-	87.71	87.71
Other Financial Assets	134.93	-	-	134.93	134.93
Financial Liabilities					
Borrowings	2,657.16	-	-	2,657.16	2,657.16
Trade Payables	233.67	-	-	233.67	233.67
Other Financial Liabilities	489.11	1.17	-	490.28	490.28

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Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

₹ in Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2017	3.96	-	-	3.96
As at 31-03-2016	2.87	-	-	2.87
As at 01-04-2015	3.05	-	-	3.05
Investment in unlisted securities				
As at 31-03-2017	-	-	22.12	22.12
As at 31-03-2016	-	-	22.12	22.12
As at 01-04-2015	-	-	22.12	22.12
Financial Instruments at FVTPL				
Investment in mutual funds				
As at 31-03-2017	0.45	-	-	0.45
As at 31-03-2016	0.37	-	-	0.37
As at 01-04-2015	0.37	-	-	0.37
Foreign exchange forward contracts				
As at 31-03-2017	-	0.06	-	0.06
As at 31-03-2016	-	0.46	-	0.46
As at 01-04-2015	-	1.17	-	1.17

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities/ Mutual Funds	Market Value	Closing Price as at 31 st March in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets plus Cost Savings in operations of business based on Discounted cash flow method
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker



54. Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company maintains adequate security deposits from its customers in case of wholesale and retail segment. In case of institutional segment, credit risks are mitigated by way of enforceable securities. The exposures with the Government are generally unsecured but they are considered as good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

₹ in Crores

As at 31-03-2017	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	367.10	56.01	10.87	130.84	564.82
Expected Loss Rate	0.05%	0.50%	2.75%	7.00%	1.76%
Expected Credit Losses	0.18	0.28	0.30	9.16	9.92
Carrying amount of trade receivables net of impairment	366.92	55.73	10.57	121.68	554.90

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₹ in Crores

As at 31-03-2016	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	330.30	45.61	9.41	97.05	482.37
Expected Loss Rate	0.05%	0.54%	3.50%	9.80%	2.12%
Expected Credit Losses	0.17	0.25	0.33	9.50	10.25
Carrying amount of trade receivables net of impairment	330.13	45.36	9.08	87.55	472.12

₹ in Crores

As at 01-04-2015	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	318.86	35.23	5.46	32.98	392.53
Expected Loss Rate	0.05%	0.65%	4.20%	29.20%	2.61%
Expected Credit Losses	0.16	0.23	0.23	9.63	10.25
Carrying amount of trade receivables net of impairment	318.70	35.00	5.23	23.35	382.28

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

₹ in Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Expiring within one year			
Bank Overdraft and other facilities	405.14	351.84	439.37
Term Loans	-	-	150.00
Expiring beyond year			
Term Loans	-	-	-



Maturities of Financial Liabilities

₹ in Crores

Nature of Financial Liability	< 1 Year	1 – 5 Years	>5 years	Total
As at 31-03-2017				
Borrowings from Banks/Debentures	867.83	66.68	-	934.51
Soft Loan from Government	-	-	139.37	139.37
Deferred Sales Tax Liability	53.41	232.65	81.40	367.46
Trade payables	255.79	-	-	255.79
Security Deposits payable	619.09	-	-	619.09
Other Financial Liabilities	92.08	-	-	92.08
As at 31-03-2016				
Borrowings from Banks/Debentures	1,033.77	567.45	-	1,601.22
Soft Loan from Government	-	-	129.37	129.37
Deferred Sales Tax Liability	42.17	280.39	81.40	403.96
Trade payables	214.65	-	-	214.65
Security Deposits payable	508.23	-	-	508.23
Other Financial Liabilities	119.92	-	-	119.92
As at 01-04-2015				
Borrowings from Banks/Debentures	909.59	1,200.51	-	2,110.10
Soft Loan from Government	-	-	110.77	110.77
Deferred Sales Tax Liability	38.97	317.34	81.40	437.71
Trade payables	233.67	-	-	233.67
Security Deposits payable	368.97	-	-	368.97
Other Financial Liabilities	121.31	-	-	121.31

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of capital goods, spares and fuel, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company's exposure to foreign currency risk (un-hedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks	Foreign Currency Loan
USD in Millions				
As at 31-03-2017	3.77	1.53	-	-
As at 31-03-2016	0.01	2.13	-	-
As at 01-04-2015	15.61	4.31	0.36	1.36

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Currency	Trade Payables	Trade and other Receivables	Balance with Banks	Foreign Currency Loan
JPY in Millions				
As at 31-03-2017	1.76	-	-	-
As at 31-03-2016	6.01	-	-	-
As at 01-04-2015	-	-	-	-
LKR in Millions				
As at 31-03-2017	30.67	43.18	1.59	-
As at 31-03-2016	-	0.30	-	-
As at 01-04-2015	-	0.30	-	-

Risk sensitivity on foreign currency fluctuation

₹ in Crores

Foreign Currency	31-03-2017		31-03-2016	
	1 % Increase	1% decrease	1% increase	1% decrease
USD	(-) 0.15	0.15	0.14	(-) 0.14
JPY	(-) 0.10	0.10	(-) 0.35	0.35
LKR	0.03	(-) 0.03	-	-

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/ floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure

Particulars	31-03-2017	31-03-2016	01-04-2015
Variable rate borrowings	100.00	370.60	1,609.80
Fixed rate borrowings	973.88	1,359.99	611.07
Interest free borrowings	367.46	403.96	437.71

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

₹ in Crores

Total Interest Cost works out to	31-03-2017	31-03-2016
1% Increase in Interest Rate	105.36	190.75
1% Decrease in Interest Rate	101.69	169.71



55. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt.

₹ in Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Long Term Borrowings	503.63	1,047.10	1,708.60
Current maturities of Long term borrowings	286.67	445.32	448.26
Short Term Borrowings	634.51	630.62	500.30
Less: Cash and Cash Equivalents	81.65	83.82	57.34
Net Debt (A)	1,343.16	2,039.22	2,599.82
Equity Share Capital	23.81	23.81	23.81
Other Equity	3,717.70	3,069.65	2,658.57
Total Equity (B)	3,741.51	3,093.46	2,682.38
Total Capital Employed (C) = (A) + (B)	5,084.67	5,132.68	5,282.20
Capital Gearing Ratio (A)/(C)	26%	40%	49%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2017 and 31-03-2016.

56. Details of Specified Bank Notes (SBN) held and transacted during the period 08-11-2016 to 30-12-2016

As per the amendments notified on 30-03-2017 to Ind AS Schedule III, Clause K of Note 6 to General Instructions for Preparation of Balance Sheet, the details of Specified Bank Notes (SBN) held and transacted during the period 08-11-2016 to 30-12-2016 is given in the below table:

₹ in Crores

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as at 08-11-2016	0.07	0.03	0.10
Add: Permitted Receipts	0.04	0.64	0.68
Less: Permitted Payments	0.01	0.52	0.53
Less: Amount Deposited in Banks	0.10	0.00	0.10
Closing Cash in hand as at 30-12-2016	-	0.15	0.15

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57. Disclosures as required by Ind AS 101 First time adoption of Indian Accounting Standards

Reconciliation of Balance Sheet as at 01-04-2015

₹ in Crores

	Notes	Previous GAAP	Transition Adjustments	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	B,C	4,776.60	(12.67)	4,763.93
Capital Work in Progress	-	257.52	-	257.52
Investment Property	C	-	224.41	224.41
Intangible Assets	-	98.92	-	98.92
Intangible Assets under Development	-	5.14	-	5.14
Investments in Subsidiary and Associates	-	121.06	-	121.06
Financial Assets				
<i>Other Investments</i>	C,D,F	234.77	(209.23)	25.54
<i>Loans and Advances</i>	G,H	144.31	(123.62)	20.69
<i>Other Financial Assets</i>	-	16.62	-	16.62
Other Non-Current Assets	B,G	72.96	10.05	83.01
		5,727.90	(111.06)	5,616.84
Current Assets				
Inventories	-	520.58	-	520.58
Financial Assets	-			
<i>Loans and Advances</i>	G	20.28	(0.65)	19.63
<i>Trade Receivables</i>	-	382.28	-	382.28
<i>Cash and Cash Equivalents</i>	-	57.34	-	57.34
<i>Bank Balances other than Cash & Cash Equivalents</i>	-	30.37	-	30.37
<i>Other Financial Assets</i>	-	118.31	-	118.31
Other Current Assets	B,G,L	144.55	(0.21)	144.34
		1,273.71	(0.86)	1,272.85
Total Assets		7,001.61	(111.92)	6,889.69
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	-	23.81	-	23.81
Other Equity	V	2,621.38	37.19	2,658.57
Total Equity		2,645.19	37.19	2,682.38
Non-Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	J	1,710.02	(1.42)	1,708.60
<i>Other Financial Liabilities</i>	O	368.97	(368.97)	-
Deferred Tax Liabilities (net)	M, H	827.06	(115.82)	711.24
		2,906.05	(486.21)	2,419.84
Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	-	500.30	-	500.30
<i>Trade Payables</i>	-	233.67	-	233.67
<i>Other Financial Liabilities</i>	F,L,O	558.42	380.12	938.54
Provisions	I	87.41	(43.02)	44.39
Liabilities for Current tax	-	6.23	-	6.23
Other Current Liabilities	-	64.34	-	64.34
		1,450.37	337.10	1,787.47
Total Equity and Liabilities		7,001.61	(111.92)	6,889.69

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.



Reconciliation of Balance Sheet as at 31-03-2016

₹ in Crores

	Notes	Previous GAAP	Transition Adjustments	Ind AS
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	A,B,C	4,825.38	(3.74)	4,821.64
Capital Work in Progress	-	138.31	-	138.31
Investment Property	C	-	227.43	227.43
Intangible Assets	-	79.52	-	79.52
Intangible Assets under Development	-	8.53	-	8.53
Investments in Subsidiary and Associates	-	118.79	-	118.79
Financial Assets				
<i>Other Investments</i>	C,D,F	246.58	(221.22)	25.36
<i>Loans and Advances</i>	G,H	189.16	(143.81)	45.35
<i>Other Financial Assets</i>	-	11.72	-	11.72
Other Non-Current Assets	B,G	74.69	10.37	85.06
		5,692.68	(130.97)	5,561.71
Current Assets				
Inventories	-	549.02	-	549.02
Financial Assets				
<i>Loans and Advances</i>	G	21.17	(0.21)	20.96
<i>Trade Receivables</i>	-	472.12	-	472.12
<i>Cash and Cash Equivalents</i>	-	83.82	-	83.82
<i>Bank Balances other than Cash & Cash Equivalents</i>	-	6.95	-	6.95
<i>Other Financial Assets</i>	-	29.52	-	29.52
Other Current Assets	B,G,L	169.89	0.18	170.07
		1,332.49	(0.03)	1,332.46
Total Assets		7,025.17	(131.00)	6,894.17
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	-	23.81	-	23.81
Other Equity	U,V	3,068.82	0.83	3,069.65
Total Equity		3,092.63	0.83	3,093.46
Non-Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	J,N	1,058.61	(11.51)	1,047.10
<i>Other Financial Liabilities</i>	O	508.23	(508.23)	-
Provisions	K	1.49	0.15	1.64
Deferred Government Grants	N	-	7.71	7.71
Deferred Tax Liabilities (net)	H, M	852.07	(136.55)	715.52
		2,420.40	(648.43)	1,771.97
Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	-	630.62	-	630.62
<i>Trade Payables</i>	-	214.65	-	214.65
<i>Other Financial Liabilities</i>	F,L,O	557.45	516.02	1,073.47
Provisions	-	36.72	-	36.72
Deferred Government Grants	N	-	0.58	0.58
Liabilities for Current tax	-	5.56	-	5.56
Other Current Liabilities	-	67.14	-	67.14
		1,512.14	516.60	2,028.74
Total Equity and Liabilities		7,025.17	(131.00)	6,894.17

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

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Reconciliation of Statement of Profit and Loss for the year ended 31-03-2016

₹ in Crores

	Notes	Previous GAAP	Transition Adjustments	Ind AS
REVENUE				
Revenue from operations	Q,R,N	3,596.57	534.34	4,130.91
Other Income	F,G	81.62	6.81	88.43
Total Revenue		3,678.19	541.15	4,219.34
EXPENSES				
Cost of Materials Consumed	-	578.88	-	578.88
Changes in Inventories of Finished Goods and WIP	-	9.94	-	9.94
Excise Duty on Sale of Goods	Q	-	557.65	557.65
Employee Benefits Expense	G,S	259.23	(0.53)	258.70
Finance Costs	J,K,N	180.23	1.63	181.86
Depreciation and Amortization Expense	A, B	267.04	37.75	304.79
Other Expenses	B,D,F,G,L,R	1,679.83	(25.68)	1,654.15
Total Expenses		2,975.15	570.82	3,545.97
Profit Before Tax		703.04	(29.67)	673.37
Tax Expenses				
Current Tax	-	149.76	-	149.76
Excess tax provision related to earlier years written back	-	(23.84)	-	(23.84)
Net Current tax expenses		125.92	-	125.92
Deferred Tax	M	38.12	(13.60)	24.52
MAT Credit Recognition	-	(19.26)	-	(19.26)
Net Deferred tax expenses		18.86	(13.60)	5.26
Total Tax Expenses		144.78	(13.60)	131.18
Profit for the year		558.26	(16.07)	542.19
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to Profit or Loss				
Remeasurements losses on defined benefit obligations	-	-	(2.84)	(2.84)
Deferred Tax credit on the above	-	-	0.98	0.98
Equity Instruments recognised through OCI	-	-	(0.18)	(0.18)
Total Other Comprehensive Income for the year	S	-	(2.04)	(2.04)
Total Comprehensive Income for the year		558.26	(18.11)	540.15

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

Explanatory Notes on preparation and presentation of financial statements upon transition to Ind AS

In preparing these financial statements, the Company's Opening Balance Sheet was prepared as at 01-04-2015, which is the Company's date of transition to Ind AS. The following note explains the nature of adjustments made by the Company read with Note No. 3 in restating its previous GAAP Financial Statements including its Balance Sheet as at 01-04-2015 and the financial statements as at and for the year ended 31-03-2016.

A. Depreciation and Amortization expense

Under previous GAAP, the carrying value of significant components of Property, Plant and Equipment which have completed their useful life, have been charged off against opening balance of Retained Earnings for the financial year 2015-16 as permitted by Schedule II to the Companies Act, 2013. However, under Ind AS, this has been taken through profit and loss for the year ended 31-03-2016 as it not a GAAP difference.

B. Leasehold Land

Lease prepayments made for Leasehold land were classified as Leasehold Land under previous GAAP. However, under Ind AS, prepayments made for leasehold land should be classified as lease prepayments under operating lease and the same should be amortized over the tenure of the lease. Accordingly, lease prepayments as at 01-04-2015 are reclassified from Property, Plant and Equipment into Prepaid expenses. The subsequent amortization of lease prepayments for the year ended 31-03-2016 is recognized as 'Rent' under classification of 'Other Expenses' in the Statement of Profit and Loss.



C. Investment Properties

Under previous GAAP as well as Ind AS, Investment Properties are required to be stated at cost net of accumulated depreciation and impairment loss, if any. Under previous GAAP, it was grouped under non-current investments whereas under Ind AS, the same is required to be disclosed as a separate line item in the Balance Sheet. Accordingly, investment properties are reclassified.

D. Investments

Under previous GAAP, investments in mutual funds were measured at the lower of cost or fair value. Under Ind AS, the Company is required to measure the investments in mutual funds at fair value through profit & loss and accordingly recognized the fair value gain/loss in Opening Equity or in the Statement of Profit and Loss for the year ended 31-03-2016. Under previous GAAP, long term equity instruments were measured at cost less provision for permanent diminution. In respect of investments in companies other than in Subsidiary and Associates, the Company is required to designate such investments necessarily at fair value. Therefore, the Company has designated such investments as FVTOCI Investments. At the date of transition to Ind AS, the excess/deficit of fair value of equity instruments over the previous GAAP carrying amount is recognised as fair value gain/loss, in the FVTOCI reserve/Other Comprehensive Income for the year ended 31-03-2016.

E. Classification of Financial Instruments

The company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets/financial liabilities. Accordingly, bifurcation of assets/liabilities as financial/Non-financial is identified and reclassified. However, this reclassification is not presented as transition adjustments.

F. Financial Guarantee Contracts

The Company has issued Corporate Guarantee to Banks for the loans availed by Subsidiary, Associates and other related parties. Where guarantees in relation to loans are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment if the loan is given to Associate/Subsidiary, and recognized as Other expenses if the loan is given to other related parties. The carrying amount of financial guarantee obligation is recognized as other income over the tenure of the corporate guarantee.

G. Recognition & Measurement of Loans & Advances at Amortized Cost

Loans and advances comprise of loans given to employees at zero/concessional interest rates and advances paid to service providers at zero/market interest rates and the said loans are recovered in agreed installments. Under previous GAAP, this has been measured at historical value. However, under Ind AS, when the said loans and advances carry interest below the market rate, it is required to be measured at fair value on initial recognition. The fair value is determined at the present value of EMI, discounted using the market interest rates for similar instruments. The difference between historical value and fair value of such loans and advances are classified under prepaid expenses. Subsequent to initial recognition, the loans and advances are measured at amortized cost using the effective interest rate method with the carrying amount increased over the period upto the recovery of the loans and advances. The amount of increase in the carrying amount of loans and advances is recognized as 'Interest Income' and prepaid expenses are amortized over the tenure of loans and advances as 'Employee cost' or 'Other Expenses', as it may be appropriate.

H. Presentation of MAT Credit Entitlement as 'Deferred Tax Assets'

Under previous GAAP, MAT credit entitlement was presented under the head 'Loans and advances' since there being a convincing evidence of realization of the asset. As per Ind AS 12 on Income Taxes, Deferred Tax Assets include the amounts of income taxes recoverable in future periods in respect of the carry forward of unused tax credits. Accordingly, MAT Credit Entitlement classified as Loans and Advances under previous GAAP, are netted against Deferred Tax Liability under Ind AS.

I. Dividend

Under previous GAAP, dividends proposed by the Board of Directors are recognized as proposed dividend in the financial statements even though it is approved by the shareholders in the AGM. However, under Ind AS, dividend has to be recognized upon approval by the shareholders in the Annual General Meeting. Accordingly, Proposed Dividend (including Dividend Distribution Tax recognized as liability in the financial year 2014-15 as per previous GAAP has been reversed with corresponding credit to Equity as at the date of transition i.e. 01-04-2015 and recognized in the Equity during the year ended 31-03-2016 as declared and paid.

J. Transaction cost on Borrowings

Under previous GAAP, transaction costs (loan processing fees) incurred in connection with borrowings is charged to profit or loss up front. Under Ind AS, transaction cost is to be included in the initial recognition and charged to profit or loss using the effective interest method. Accordingly, transaction cost on borrowings is reversed to Equity, for the loans outstanding as at 01-04-2015 and additional interest expense is recognized in the Opening Equity for the period upto 01-04-2015, using Effective Interest Rate method (EIR). For the year ended 31-03-2016, the Company has reversed the transaction cost pertaining to the Borrowings availed during the year 2015-16 and the additional Interest impact computed using EIR method is recognized as Finance cost.

K. Mines Restoration Obligation

Under previous GAAP, the Company has provided for mines restoration obligation at the undiscounted amount. This being a long term provision in nature, Ind AS 37 requires that the provision should be measured at net present value and further it 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 recognized as borrowing cost.

L. Recognition and Measurement of Forward Contracts on Mark To Market (MTM)

Under previous GAAP, in respect of forward contracts, the difference between the forward rate and the exchange rate at the inception of the forward exchange contract is recognized as income/expenses over the tenure of such contract. Under Ind AS, the fair value of forward foreign exchange contracts has to be recognized. Accordingly, the assets and liabilities related to forward contracts recognized under previous GAAP are reversed and Mark to Market (MTM) gain/loss is recognized as other expenses in the Statement of Profit and Loss.

M. Deferred Tax

Deferred tax is accounted using income statement approach by computing the differences between taxable profits and accounting profits for the period under previous GAAP. As per Ind AS 12, the deferred tax is to be computed using the balance sheet approach, which is based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax adjustments are recognized either in retained earnings or a separate component of equity.

N. Government Loans

The interest free loan/soft loan from Government were recognised under "Borrowings" at historical value and the interest benefit below the market rate were not recognised separately in the financial statements. Consequent to the adoption of Ind AS, the quantification of interest benefits as per the fair value measurement in accordance with Ind AS 109 is recognised under Government Grants. In accordance with Ind AS 101, the Company has opted to measure the said interest benefit for the loans availed prospectively from 01-04-2015 which is recognised as "Deferred Grant" under "Non-current liabilities" and accordingly, such interest benefit is not recognised for the loans availed prior to the transition date (i.e) 01-04-2015. Upon availment of soft loan with effect from 01-04-2015, the said Deferred Grant is adjusted by way of recognition of "Grant Income", prorated to the extent of expired useful life of the underlying assets. The balance deferred grant will be adjusted by way of recognition as revenue in the future periods in line with the remaining useful life of the underlying assets.

O. Security Deposits from Customers & Service Providers

The company has presented the Security deposits from Customers & Service providers as Non-current liability under previous GAAP as per the FAQ on Schedule III to the Companies Act 2013 issued by ICAI based on the fact that company's past record shows that these deposits are not generally claimed and hence it was appropriate to treat it as non-current liability. However, as per Educational material issued by ICAI on Ind AS 1 Presentation of Financial Statements, such deposits have to be classified under Current Financial Liability only in view of the fact that the Company does not have the unconditional right to defer settlement of the liability. Accordingly, the Company has reclassified Security Deposits from Customers/Service providers from non-current liability to other current financial liabilities.

P. Defined Benefit Plan

Under previous GAAP, actuarial gains and losses are charged to profit or loss. Under Ind AS re-measurements of net defined benefit asset/liability comprising of actuarial gains or losses are arising from experience adjustments and changes in actuarial assumption are charged/credited to other comprehensive income. There is no impact on the total equity as at 31-03-2016. However for the period upto the date of transition, the Company has transferred all re-measurement costs recognized in the past periods within accumulated profits or loss (a component of equity), in accordance with provisions of Para 122 of Ind AS 19.



Q. Excise Duty

Under previous GAAP, Sale of goods and scraps was presented as net of excise duty. However, under Ind AS, sale of goods and scraps includes excise duty. Excise duty on sale of goods and scraps is separately shown as a line item in the Statement of Profit and Loss as part of expenses. However, there is no impact on the total equity and profit.

R. Dealer Awards

Under previous GAAP, Dealer awards were recognized as part of Sales Promotion Expenses. However, under Ind AS, the same has to be netted against Revenue. Accordingly, dealer awards have been netted against Revenue from Operations in the Statement of Profit and Loss.

S. Other Comprehensive Income (OCI)

This is a new classification under Ind AS. Any income or expense that are not required to be recognized in profit or loss are shown under OCI in the Statement of Profit and Loss. It comprises of re-measurements of defined benefit plans, gains and losses from investments in equity instruments designated at fair value through other comprehensive income, gains and losses on financial assets measured at fair value through other comprehensive income, gain or loss on financial instruments that qualify for hedge accounting, changes in revaluation surplus and gains and losses arising from translating the financial statements of a foreign operation.

T. Bank Overdraft

Under previous GAAP, bank overdrafts were considered as part of borrowings and movements in the same were shown as part of financing activities. Under Ind AS, Bank overdrafts repayable on demand are to be treated as an integral part of the cash management process. Accordingly, Bank overdraft is included in Cash and Cash equivalents for the purpose of presentation of Statement of Cash Flows.

U. Reconciliation of total comprehensive income for the year ended 31-03-2016

₹ in Crores

Particulars	Notes	31-03-2016
Profit after tax as per previous GAAP		558.26
Add: Adjustments on account of transition to Ind AS – Credit		
Fair value recognition and measurement of Government Loan	N	2.81
Fair value recognition and measurement of Financial Guarantees	F	4.11
Impact of measurement of Forward contracts on MTM	L	0.08
Actuarial loss reclassified to OCI	P	2.84
Fair value gain/reversal of provision of diminution in investments at FVTOCI	D	0.03
Deferred tax credit on Ind AS Adjustments	M	13.60
Less: Adjustments on account of transition to Ind AS – Debit		
Depreciation adjusted in Retained Earnings reversed, recognized in P & L	A	37.89
Impact of transaction cost computed using EIR	J	1.02
Unwinding of discount on provision for mines restoration obligation	K	0.15
Fair value of mutual funds measured at FVTPL	D	0.03
Fair value recognition and measurement of loans and advances	G	0.45
Profit after tax as per Ind AS		542.19
Add: Other Comprehensive Income		
Remeasurements of defined benefit obligations	P	(2.84)
Deferred tax credit on Ind AS adjustments	M	0.98
Fair value of equity instruments designated at FVTOCI	D	(0.18)
Total Comprehensive Income		540.15

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V. Reconciliation of Total Equity as at 31-03-2016 and 01-04-2015

₹ in Crores

Particulars	Notes	31-03-2016	01-04-2015
Total Equity (Shareholders funds) as per previous GAAP	-	3,092.63	2,645.19
Ind AS adjustments up to 01-04-2015	-	37.19	-
Depreciation adjusted in Retained Earnings reversed (net of deferred tax)	A	24.77	-
Fair value recognition and measurement of Government Loan	N	2.81	-
Fair value recognition and measurement of Financial Guarantees	F	4.11	(8.43)
Impact of measurement of Forward contracts on MTM	L	0.08	(0.10)
Fair value gain/reversal of provision of diminution in investments at FVTOCI	D	(0.15)	2.60
Fair value of mutual funds measured at FVTPL	D	(0.03)	0.17
Dividend and its tax accounted upon approval by shareholders	I	(43.02)	43.02
Impact of transaction cost computed using EIR	J	(1.02)	1.42
Depreciation adjusted in Retained Earnings reversed, recognized in P & L	A	(37.89)	-
Unwinding of discount on provision for mines restoration obligation	K	(0.15)	-
Fair Value recognition and measurement of loans and advances	G	(0.45)	(1.58)
Deferred Tax Credit on Ind AS adjustments	A,M	14.58	0.09
Total Ind AS Adjustments	-	0.83	37.19
Total Equity as per Ind AS		3,093.46	2,682.38

W. Reconciliation of Statement of Cash flows for the year ended 31-03-2016

₹ in Crores

Particulars	Notes	Previous GAAP	Transition Adjustments	Ind AS
Cash flow from operating activities	-	1,085.09	-	1,085.09
Cash flow from investing activities	-	(263.16)	-	(263.16)
Cash flow from financing activities	T	(818.87)	(123.94)	(942.81)
Increase/(decrease) in cash and cash equivalents	-	3.06	(123.94)	(120.88)
Cash and cash equivalents as at 01-04-2015	X	87.71	(151.37)	(63.66)
Cash and cash equivalents as at 31-03-2016	X	90.77	(275.31)	(184.54)

X. Changes in Cash and Cash equivalents for the purpose of cash flows under Ind AS

₹ in Crores

Particulars	Notes	31-03-2016	01-04-2015
Cash and Cash equivalents as per previous GAAP	-	90.77	87.71
Less: Cash Credit	T	275.31	151.37
Cash and Cash equivalents for Statement of cash flow	W	(184.54)	(63.66)

Note

For the purpose of Statement of cash flows, cash and cash equivalents include cash and cash equivalents and Bank Balances other than cash and cash equivalents as presented in the Balance Sheet.

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ramco Cements Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards ("the Consolidated Financial Statements") of The Ramco Cements Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and the share of profit/loss of its associates. These Consolidated Financial Statements comprise the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year ended 31st March 2017 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013, ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated statement of changes in equity and consolidated cash flow of the Group including its associates in accordance with the accounting principles generally accepted in India and including the Indian Accounting Standards specified under Section 133 of the Act, read with applicable Rules there under. The respective Board of Directors of the Companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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 Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the Consolidated 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 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 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 Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the Consolidated 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 Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Indian Accounting Standards, of the consolidated state of affairs (financial position) of the Group including the effect of share in the profit of its associates as at 31st March 2017, and their consolidated profit (financial performance including other comprehensive income) including the share in the profit of its associates, consolidated statement of changes in equity and their consolidated cash flows for the year ended on 31st March 2017.

Other Matters

The Consolidated Financial Statements include financial performance of a foreign branch which reflects total assets of ₹ 2.22 Crores, total revenue of ₹ 2.02 Crores and net cash inflow amounting to ₹ 0.07 Crores for the year ended on 31st March 2017, which was audited by Independent Auditors in accordance with the regulations of that country and whose report has been furnished to us and has been considered in the Consolidated Financial Statements solely based on such audited financial statements. Our opinion is not modified in respect of this matter.

The statement reflects the Group's share of total assets of ₹ 51.63 Crores as at 31st March 2017, the total revenue of ₹ 17.81 crores



and net cash inflow of ₹ 1.33 Crores for the year ended 31st March 2017 of the subsidiary, which was audited by one of us.

The Statement includes share of profit of associates amounting to ₹ 0.33 Crores, net for the year ended 31st March 2017 which was audited by one of us.

The Consolidated Financial Statements includes share of total comprehensive income of ₹-0.92 Crores relating to associates for the year ended 31st March 2017, which was audited by Independent Auditors and whose report has been furnished to us and has been considered in the Statement solely based on such Audited Financial Statements.

The Statement includes share of profit of associates amounting to ₹ 11.18 Crores for the year ended 31st March 2017 which was unaudited and has been considered in the Consolidated Financial Statements based on management certification. Our opinion on the Consolidated Financial Statements, in so far as it relates to aforesaid associates is solely based on the accounts prepared by the Management. Our opinion is not modified in respect of this matter.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is based on the financial statements/financial information certified by the Management.

We draw attention to Note No. 47.2.7 of the Separate Financial Statements of the Holding Company relating to Order of the Competition Commission of India (CCI) imposing a penalty of ₹ 258.63 Crores on the Holding Company for alleged cartelisation with select cement manufacturers. Upon appeal filed by the affected companies, the Competition Appellate Tribunal (COMPAT) by its Order dated 11-12-2015 set aside the CCI's Order and remitted the matter back for fresh adjudication. After re-hearing, the CCI has restored the same penalty again wide its Order dated 31-08-2016. The Holding Company has again filed an appeal before the COMPAT. In compliance of Interim Order of COMPAT, the Holding Company has deposited ₹ 25.86 Crores, being 10% of the impugned penalty. The said amount so deposited is classified under "Bank Balances Other Cash and Cash Equivalents". The appeal is pending. Based on the legal opinion, the Holding Company believes that it has a good case and hence no provision is made.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

1. 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 Financial Statements.
2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
5. On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of the subsidiary company and associate companies, and Management Certification in the case of the unaudited associate companies, none of the Directors of the Group and its associate companies is disqualified as on 31st March 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the internal financial controls over financial reporting of the entities in the Group and associate companies and the operating effectiveness of such controls. We have relied on the management certification in respect of the unaudited associates with respect to the adequacy of internal financial controls over financial reporting. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of entities in the Group and the associate companies.
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The details of the pending litigations and its impact on the Financial Statements have been disclosed in the Separate Financial Statements of the respective entities in the Group and by the associates.
 - ii. The Group and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the entities in the Group and its associates.

THE RAMCO CEMENTS LIMITED

- iv. The Companies comprising the Group and associate companies have provided requisite disclosures in its Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 08-11-2016 to 30-12-2016 and these are in accordance with the books of accounts maintained by the Holding Company.

- v. In reaching conclusions commented upon in items (i) to (iv) above, we have relied on our audit of the Holding Company, the audit of the subsidiary company by one of us, audit of associate companies by one of us, audit of associate companies by some other Independent Auditors and Management Certification in the case of associates which are unaudited.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration No. 001208S
K.Srinivasan
Partner
Membership No. 021510

Chennai
30-05-2017

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.Gangadaran
Partner
Membership No. 011205

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS DRAWN IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARDS, OF THE RAMCO CEMENTS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of The Ramco Cements Limited, its subsidiary and its associates (“the Group”) as of 31st March 2017 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on 31st March 2017.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and its associate companies, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on Group’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”) issued by ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Other Matters

We have relied on a) our audit of the Holding Company, b) the audit of the subsidiary company by one of us, c) audit of associate companies by one of us, d) audit of associate companies by some



other Independent Auditors and e) Management Certification in the case of associates which are unaudited.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration No. 001208S
K.Srinivasan
Partner
Membership No. 021510

Chennai
30-05-2017

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and associates company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Group 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.

For CNGSN & Associates LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.Gangadharan
Partner
Membership No. 011205

THE RAMCO CEMENTS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017

	Note No.	31-03-2017	31-03-2016	₹ In Crores 01-04-2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	7	5,000.48	4,947.01	4,868.97
Capital Work in Progress	8	97.42	138.31	257.58
Investment Property	9	145.76	131.47	127.30
Intangible Assets	10	64.39	79.24	98.92
Intangible Assets under Development	11	22.84	8.53	5.14
Investments in Associates	12	183.92	169.89	168.36
Financial Assets				
<i>Other Investments</i>	12a	26.53	25.36	25.54
<i>Loans and Advances</i>	13	14.94	13.49	13.35
<i>Other Financial Assets</i>	14	9.81	11.72	16.62
Other Non-Current Assets	15	82.64	85.09	83.04
		<u>5,648.73</u>	<u>5,610.11</u>	<u>5,664.82</u>
Current Assets				
Inventories	16	576.57	550.17	521.65
Financial Assets				
<i>Loans and Advances</i>	17	27.28	20.98	19.65
<i>Trade Receivables</i>	18	554.90	472.12	382.28
<i>Cash and Cash Equivalents</i>	19	83.34	84.08	57.85
<i>Bank Balances other than Cash and Cash Equivalents</i>	20	36.43	7.05	30.87
<i>Other Financial Assets</i>	21	31.39	29.58	118.38
Other Current Assets	22	111.87	170.20	144.34
		<u>1,421.78</u>	<u>1,334.18</u>	<u>1,275.02</u>
Total Assets		<u>7,070.51</u>	<u>6,944.29</u>	<u>6,939.84</u>
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	23	23.81	23.81	23.81
Other Equity	24	3,771.65	3,109.33	2,696.17
Equity attributable to the Equity shareholders		<u>3,795.46</u>	<u>3,133.14</u>	<u>2,719.98</u>
Non-controlling Interests	24a	1.94	0.70	0.61
		<u>3,797.40</u>	<u>3,133.84</u>	<u>2,720.59</u>
Non Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	25	511.04	1,059.46	1,725.91
Provisions	26	3.61	1.64	-
Deferred Government Grants	27	11.48	7.71	-
Deferred Tax Liabilities (net)	28	721.50	708.39	703.81
		<u>1,247.63</u>	<u>1,777.20</u>	<u>2,429.72</u>
Current Liabilities				
Financial Liabilities				
<i>Borrowings</i>	29	634.51	630.62	500.30
<i>Trade Payables</i>	30	256.22	214.80	233.74
<i>Other Financial Liabilities</i>	31	1,002.35	1,077.80	940.53
Provisions	32	46.51	36.72	44.39
Deferred Government Grants	33	0.96	0.58	-
Liabilities for Current tax	34	4.54	5.56	6.23
Other Current Liabilities	35	80.39	67.17	64.34
		<u>2,025.48</u>	<u>2,033.25</u>	<u>1,789.53</u>
Total Equity and Liabilities		<u>7,070.51</u>	<u>6,944.29</u>	<u>6,939.84</u>
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6			
<i>See accompanying notes to the financial statements</i>	7 - 57			

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

	Note No.	31-03-2017	₹ In Crores 31-03-2016
REVENUE			
Revenue from operations	36	4,582.02	4,139.41
Other Income	37	39.23	75.47
Total Revenue		4,621.25	4,214.88
EXPENSES			
Cost of Materials Consumed	38	640.58	578.88
Purchase of Stock-in-Trade	39	31.07	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	14.94	9.94
Excise Duty on Sale of Goods	41	614.69	557.65
Employee Benefits Expense	42	278.52	259.40
Finance Costs	43	104.88	183.76
Depreciation and Amortization Expense	44	266.87	305.26
Other Expenses	45	1,812.79	1,657.07
Total Expenses		3,764.34	3,551.96
Profit Before Tax		856.91	662.92
Tax Expenses	28		
Current Tax		188.21	149.84
Excess tax provision related to earlier years written back		-	(23.84)
Net Current tax expenses		188.21	126.00
Deferred Tax		17.73	25.01
MAT Credit Recognition for Current year		(1.20)	(19.35)
MAT Credit Recognition for Previous year		(2.04)	-
Net Deferred tax expenses		14.49	5.66
Total Tax Expenses		202.70	131.66
Profit for the year before share of profit/(loss) of Associates		654.21	531.26
Add: Share of Profit/(Loss) of Associates		9.77	14.06
PROFIT FOR THE YEAR	(A)	663.98	545.32
Profit for the year attributable to:			
Equity shareholders of the parent		662.74	545.23
Non-controlling Interest		1.24	0.09
		663.98	545.32
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)		(3.57)	(2.84)
Deferred Tax credit on above		1.24	0.98
Fair value gain/(loss) on Equity Instruments through OCI		1.09	(0.18)
Share of OCI of Associates (net of tax)		0.82	(0.96)
Total Other Comprehensive Income for the year, net of tax	(B)	(0.42)	(3.00)
Other Comprehensive Income attributable to:			
Equity shareholders of the parent		(0.42)	(3.00)
Non-controlling Interest		-	-
		(0.42)	(3.00)
TOTAL COMPREHENSIVE INCOME	(A) + (B)	663.56	542.32
Total Comprehensive Income for the year attributable to:			
Equity shareholders of the parent		662.32	542.23
Non-controlling Interest		1.24	0.09
		663.56	542.32
Earnings per equity share of face value of ₹1 each	51		
Basic and Diluted in Rupees		29	24
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 57		

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

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Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary

THE RAMCO CEMENTS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2017

		₹ In Crores
	31-03-2017	31-03-2016
Cash Flow from Operating Activities		
Profit Before Tax	856.91	662.92
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation & Amortization	285.83	325.29
Loss/(Profit) on sale of Property, Plant & Equipment <i>(Including Investment Property)</i>	(0.73)	0.38
Bad Debts written off	0.72	0.28
Profit on Sale of Equity Shares of Associate	-	(9.26)
Impairment Loss on assets	7.70	0.58
Provision for compensated absences	1.98	2.76
Provision for Mines Restoration Expenditure	1.70	1.49
Interest Income	(22.91)	(8.02)
Dividend Income	(0.09)	(0.06)
Grant Income	(3.06)	(3.27)
Cash flow arising out of Actuarial loss on defined benefit obligations	(3.57)	(2.84)
Fair value loss/(gain) on Mutual funds	(0.05)	0.03
Rent Receipts	(7.74)	(7.52)
Finance costs	104.88	183.76
Other non-cash adjustments	1.59	(1.21)
Operating Profit before Working Capital changes	1,223.16	1,145.31
<i>Movements in Working capital:</i>		
Inventories	(26.40)	(28.52)
Trade receivables and other assets	(38.20)	(26.68)
Trade payables and other liabilities	146.21	147.08
Cash generated from Operations	1,304.77	1,237.19
Direct Taxes paid	(187.36)	(148.41)
Net Cash generated from Operating Activities	1,117.41	1,088.78
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Investment Properties <i>(Including Capital work-in-progress, Capital Advances and payable for capital goods)</i>	(307.13)	(298.96)
Proceeds from Sale of Property, Plant & Equipment and Investment Properties	2.35	0.95
Interest received	19.81	8.81
Dividend received	0.06	1.30
Investment in Equity Shares of Associates	(3.00)	(5.57)
Rent Receipts	7.74	7.52
Proceeds from Sale of Equity Shares of Associate	-	25.36
Net Cash used in Investing Activities	(280.17)	(260.59)

A

B



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

		₹ In Crores	
		31-03-2017	31-03-2016
Cash Flow from Financing Activities			
Proceeds from Long Term Borrowings		10.00	968.60
Repayment of Long Term Borrowings		(712.07)	(1,631.62)
Proceeds from/(Repayment of) Short Term Borrowings (net)		147.53	6.38
Payment of Dividend and Dividend Distribution Tax		-	(129.07)
Interest paid		(110.42)	(164.01)
Net Cash used in Financing Activities	C	(664.96)	(949.72)
Net Increase/(Decrease) in Cash and Cash equivalents	D = (A+B+C)	172.28	(121.53)
Opening balance of Cash and Cash equivalents	E	(184.18)	(62.65)
Closing balance of Cash and Cash equivalents	D + E	(11.90)	(184.18)

Notes

- (i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- (ii) For the purpose of Statement of cash flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2017	31-03-2016	01-04-2015
Cash and cash equivalents (Note 19)	83.34	84.08	57.85
Bank Balances other than cash and cash equivalents (Note 20)	36.43	7.05	30.87
	119.77	91.13	88.72
Less: Cash Credit (Note 29)	131.67	275.31	151.37
Cash and Bank Balances, net of Cash Credit for Statement of Cash Flow	(11.90)	(184.18)	(62.65)

See accompanying notes to the financial statements

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As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2017

A. Equity Share Capital

₹ in Crores

Balance as at 01-04-2015	23.81
Changes in Equity Share Capital during the year 2015-16	-
Balance as at 31-03-2016	23.81
Changes in Equity Share Capital during the year 2016-17	-
Balance as at 31-03-2017	23.81

B. Other Equity

₹ in Crores

Particulars	Reserves and Surplus				Items of OCI			Total	Non-controlling interests	Total Other Equity
	Capital Redemption Reserve	Debt Redemption Reserve	Capital Reserve	General Reserve	Retained Earnings	FVT OCI Equity Instruments	Remeasurements of Defined Benefit Obligations	Share of OCI of Associates		
Other Equity as at 01-04-2015	1.38	-	49.01	2,518.50	124.68	2.60	-	-	2,696.17	2,696.78
Add: Profit for the year	-	-	-	-	545.23	-	-	-	545.23	545.32
Add: Other Comprehensive Income	-	-	-	-	-	(0.18)	(1.86)	(0.96)	(3.00)	(3.00)
Total Comprehensive Income	-	-	-	-	545.23	(0.18)	(1.86)	(0.96)	542.23	542.32
Less: Dividend Distribution to shareholders	-	-	-	-	107.24	-	-	-	107.24	107.24
Less: Dividend Distribution Tax	-	-	-	-	21.83	-	-	-	21.83	21.83
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(1.86)	-	(1.86)	(1.86)
Less: Transfer to Debt Redemption Reserve	-	-	-	-	125.00	-	-	-	125.00	125.00
Less: Transfer to General Reserve	-	-	-	-	322.44	-	-	-	322.44	322.44
Add: Transfer from OCI	-	-	-	-	(1.86)	-	-	-	(1.86)	(1.86)
Add: Transfer from Retained Earnings	-	125.00	-	322.44	-	-	-	-	447.44	447.44
Other Equity as at 31-03-2016	1.38	125.00	49.01	2,840.94	91.54	2.42	-	(0.96)	3,109.33	3,110.03
Add: Profit for the year	-	-	-	-	662.74	-	-	-	662.74	663.98
Add: Other Comprehensive Income for the year	-	-	-	-	-	1.09	(2.33)	0.82	(0.42)	(0.42)
Total Comprehensive Income	-	-	-	-	662.74	1.09	(2.33)	0.82	662.32	663.56
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(2.33)	-	(2.33)	(2.33)
Less: Transfer to General Reserve	-	75.00	-	-	546.87	-	-	-	621.87	621.87
Add: Transfer from Retained Earnings	-	-	-	546.87	-	-	-	-	546.87	546.87
Add: Transfer from OCI	-	-	-	-	(2.33)	-	-	-	(2.33)	(2.33)
Add: Transfer from Debt Redemption Reserve	-	-	-	75.00	-	-	-	-	75.00	75.00
Other Equity as at 31-03-2017	1.38	50.00	49.01	3,462.81	205.08	3.51	-	(0.14)	3,771.65	3,773.59

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S

K.SRINIVASAN
Partner

Membership No. 021510

Chennai

30-05-2017

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P.R.VENKETRAMA RAJA

Director

R.S.AGARWAL

Director

S.VAITHYANATHAN

Chief Financial Officer

K.SELVANAYAGAM

Secretary



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. Corporate Information

The Ramco Cements Limited (the 'Parent') is a Public Limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act 1956. The Registered office of the Company is located at "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu. The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

The Company is engaged in manufacture of Cement, Ready Mix Concrete and Dry Mortar products. The Company caters mainly to the domestic markets. The Company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

The CFS for the year were approved and adopted by Board of Directors of the Company in their meeting dated 30-05-2017.

2. Basis of Preparation of Consolidated Financial Statements

2.1 The CFS for the period up to 31-03-2016 were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Pursuant to the mandatory requirement for adoption of Ind AS as notified by MCA, the Company has prepared its consolidated financial statements for the year ended 31-03-2017 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. The comparative figures in the financial statements with respect to the previous year have been restated in accordance with Ind AS requirements. While preparing these financial statements, the Company has first prepared its opening Balance sheet as at 01-04-2015, the date of transition to Ind AS.

2.2 Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by the Ministry of Corporate Affairs that the disclosures made already under the separate financial statements are not repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.

2.3 The CFS comprises the financial statements of The Ramco Cements Limited, its Subsidiary Company and Associates, hereinafter collectively known as 'Group'. The list of companies which are included in consolidation and the Parent's holding and voting rights therein are as under:

Name of the Subsidiary	% of ownership interest		
	31-03-2017	31-03-2016	01-04-2015
Ramco Windfarms Limited	71.50%	71.50%	71.50%

The following companies are considered as Associates based on existence of significant influence over such companies:

Name of the Associates	% of ownership interest		
	31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	15.43%	15.43%	15.43%
Ramco Systems Limited	17.82%	18.06%	22.21%
Rajapalayam Mills Limited	0.35%	0.35%	9.84%
Sri Vishnu Shankar Mill Limited	0.14%	0.14%	0.14%
Madurai Trans Carrier Limited	29.86%	29.86%	-
Lynks Logistics Limited	45.57%	19.00%	-

The above companies are incorporated in India and financial statements of the respective companies are drawn up to the same reporting date as that of the Parent (i.e.) 31-03-2017.

2.4 The significant accounting policies used in preparing the financial statements are set out in Note No.5.

2.5 The Group has considered its operating cycle to be 12 months for the purpose of Current or Non-current classification of assets and liabilities.

2.6 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.

2.7 A liability is classified as current when it is expected to be settled in normal operating cycle or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

2.8 The financial statements are presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the Group is denoted as ₹ 0.00 Crores.

Principles of Consolidation

2.9 The financial statements of the Parent and its subsidiary company have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after elimination of

THE RAMCO CEMENTS LIMITED

- intra-group balances and intra-group transactions resulting in unrealized Profits/Losses.
- 2.10 The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and is presented, to the extent possible, in the same manner as the Parent's separate financial statements.
- 2.11 Non-controlling interest in the net assets of subsidiary is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Parent's shareholders. Non-controlling interest in the net assets of subsidiary consists of:
- The amount of subscribed equity share capital attributable to non-controlling interest during the year.
 - The movement of non-controlling interest in equity since the date the parent subsidiary relationship came into existence.
- 2.12 The CFS includes the share of profit/loss of the associate companies that are accounted for using equity method in accordance with Ind AS 28. Accordingly, the share of profit/loss of the associates (the loss being restricted to the cost of investment) has been added/deducted from the cost of investment. The most recent available financial statements of the associates are used in applying the equity method.
- 2.13 Under equity method of accounting, the investments are initially recognized at the fair value of net asset of Associates from the date on which it becomes an associate and any difference between the cost of the investment and the Parent's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as follows:
- Goodwill relating to an associate is included in the carrying amount of the investment and the same is not amortised.
 - Any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as capital reserve in the period in which the investment is acquired.
- Subsequently, the carrying amount of investment is adjusted to recognize the share of post-acquisition profits or losses of its Associates in the Parent's Statement of Profit & Loss.
- 2.14 Dividend received or receivable from Associates are recognized as a reduction in the carrying amount of the Investment.
- 2.15 Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated to the extent of Group's interest in these entities unless the transaction provides evidence of an impairment of the asset transferred.
- 2.16 At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Group provides for impairment as the difference between the recoverable amount of the associate and its carrying value and then recognizes the loss as 'Share of profit of an associates' in the statement of profit or loss.
- 2.17 The Group's Statement of Profit and Loss reflects the share of results of its associates. Any change in OCI of those investees is presented as part of the Group's OCI.
- 3. First time adoption of Ind AS**
- The CFS for the year ended 31-03-2017 are the first financial statements prepared in accordance with Ind AS. The Reconciliation and description of the effect of transition from previous GAAP to Ind AS on Equity, Statement of Profit and Loss and Cash flow are provided in Note No.57. The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards (Ind AS). All applicable Ind AS were applied consistently and retrospectively in preparation of the first Ind AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under Ind AS 101.
- Estimates**
- The estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP unless there is objective evidence that those estimates were in error. Accordingly, the Group has not made any changes to estimates made in accordance with previous GAAP.



The mandatory exceptions to the retrospective application under Ind AS 101 that are applicable to the Group are as below:

Mandatory Exceptions under Ind AS 101	Compliance
Derecognition of previously recognised financial assets/financial liabilities	
An entity shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.	The Group has applied the de-recognition requirements prospectively.
Hedge accounting	
At the date of transition to Ind AS, an entity shall measure all derivatives at fair value and eliminate all deferred losses and gains arising on derivatives that were reported in accordance with previous GAAP as if they were assets or liabilities. An entity shall not reflect in its opening Ind AS Balance Sheet a hedging relationship that does not qualify for hedge accounting in accordance with Ind AS 109.	The Group has measured derivatives at fair value through profit and loss. The Group does not have any hedging relationship that meets the qualifying criteria for Hedge accounting.
Classification and measurement of financial assets	
Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.	The Group has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.
Impairment of Financial Assets	
Impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort.	The Group has applied impairment requirements retrospectively.
Government Loans	
A first-time adopter shall classify all Government loans received as a financial liability or any equity instrument in accordance with Ind AS 32, Financial Instruments Presentation. If a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below market rate of interest on a basis of consistent with Ind AS requirements, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. An entity shall apply Ind AS 109 to the measurement of such loans after the date of transition to Ind AS. An entity shall apply the requirements of Ind AS 109 and Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to Government loans existing at the date of transition to Ind AS and shall not recognise the corresponding benefit of the Government loan at a below market rate of interest as a Government grant.	The Group will apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Group has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet.

The voluntary exemptions to the retrospective application under Ind AS 101 that are applicable to the Group are as below:

Voluntary Exemption under Ind AS 101	Option exercised
Deemed Cost	
An entity may elect to measure an item of property, plant and equipment and intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of property, plant and equipment, intangibles by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost.	The Group has opted to continue with the carrying amount for all of its property, plant and equipment and intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition.

THE RAMCO CEMENTS LIMITED

Voluntary Exemption under Ind AS 101	Option exercised
Business Combinations	
A first-time adopter may elect not to apply Ind AS 103 retrospectively to past Business combinations (business combinations that occurred before the date of transition to Ind AS). However, if a first-time adopter restates any business combination to comply with Ind AS 103, it shall restate all later business combinations and shall also apply Ind AS 110 from that same date. The exemption for past business combinations also applies to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103. Furthermore, the date selected for paragraph C1 applies equally for all such acquisitions.	The Group elects to apply Ind AS 103 retrospectively for the past acquisition of investment in associates with effect from 01-04-2014.
Designation of previously recognised financial instruments	
An entity may designate an investment in an equity instrument as at fair value through other comprehensive income (FVTOCI) in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.	The Group has designated all equity instruments in companies other than subsidiaries/associates at FVTOCI, based on the assessment made on the date of transition to Ind AS.
Stripping costs in the production phase of a surface mine	
As at transition date to Ind AS, any previously recognised asset balance that resulted from stripping activity undertaken during the production phase shall be reclassified as a part of an existing asset to which the stripping activity related, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances shall be depreciated or amortised over the remaining expected useful life of the identified component of the ore body to which each predecessor stripping asset balance relates.	The Group has already capitalised the stripping asset as an Intangible Asset viz. Mine Development. The amortisation of mine development is based on Unit of Production method.

4. Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 5.18 - Accounting Policy for Financial Instruments) which are measured at fair value.

5. Significant Accounting Policies

5.1 Inventories

- 5.1.1 Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. 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.
- 5.1.2 Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Process stock.

- 5.1.3 Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition including excise duty. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

5.2 Statement of Cash Flow

- 5.2.1 Cash flows are presented using indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.
- 5.2.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash.



5.2.3 Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash Flow.

5.3 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes is recognised directly in Equity.

5.4 Income Taxes

5.4.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income tax Act, 1961 and other applicable tax laws.

5.4.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Group will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Group during the specified period. The Group reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income tax during the specified period.

5.4.3 Current tax assets and liabilities are offset, when the Group has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

5.4.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

5.4.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

5.4.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Group has legally enforceable right to set off current tax assets against current tax liabilities.

5.4.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

5.5 Property, plant and equipments (PPE)

5.5.1 PPEs are stated at cost of acquisition or construction (net of CENVAT/VAT wherever applicable) less accumulated depreciation/amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

The Group identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria in accordance with Ind AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

5.5.2 The Group follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings	3 to 60 years
Plant and equipments - Cement	2 to 60 years
Plant and equipments - Ready mix concrete	10 to 25 years
Plant and equipments - Dry mortar products	5 to 25 years
Thermal power plants	5 to 60 years
Windmills	5 to 30 years
Workshop and Quarry equipments	8 to 25 years

- 5.5.3 PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.
- 5.5.4 PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognised in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.
- 5.5.5 Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.
- 5.5.6 Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold.
- 5.5.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress

- 5.5.8 Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

5.6 Leases

- 5.6.1 The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.
- 5.6.2 The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts and payments are recognised in the Statement of Profit and Loss on accrual basis as per the lease terms. The Group do not have any finance leases.
- 5.6.3 The amount paid for securing right to use of lands qualify as Operating lease and the amount paid for leasehold

land is classified as "Lease prepayments" under prepaid expenses, which are amortised over the tenure of lease.

5.7 Revenue Recognition

- 5.7.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

5.7.2 Revenue from Operations

Sale of products

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which coincides with the delivery of goods. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Power generated from Windmills

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue. Power generated from windmills that are covered under power purchase agreement at the contracted rates, upon transmission of energy to the grids of the State Electricity Board.

Scrap sale

Scrap sale is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods including excise duty excluding applicable taxes on sale.

Industrial Promotion Assistance

This being in the nature of Government grants, which are recognised at fair value when the Group's right to receive the same is established with reasonable assurance.

5.7.3 Other Income

- a. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- b. Dividend income is recognised when the Group's right to receive dividend is established.



- c. Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.
- d. Value of Carbon credits are recognised when the Group's right to receive the same is established.
- e. Income from merchant power, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised upon transmission of energy to the grids of the State Electricity Board after netting off expenses attributable to it,.

5.8 Employee Benefits

- 5.8.1 Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- 5.8.2 Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.
- 5.8.3 The Group contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Group has no further obligations.
- 5.8.4 The Group also contributes for superannuation a sum equivalent to 15% of the officer's eligible annual basic salary. Out of the said 15% contribution, a sum upto ₹ 1.50 Lacs per annum is remitted to The Ramco Cements Limited Officer's Superannuation Fund administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no further obligations in respect of the above contribution plan.
- 5.8.5 The Group has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Group makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using Projected Unit Credit method.
- 5.8.6 The Group provides for expenses towards compensated absences provided to its employees. The expense is

recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

- 5.8.7 Remeasurement of net defined benefit asset/liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged/credited to Other Comprehensive Income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

5.9 Government Grants

- 5.9.1 Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- 5.9.2 In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".
- 5.9.3 The soft loan from government is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of soft loan from government at a below-market rate of interest is treated as a government grant and classified as "Deferred Grant". It is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The said deferred grant is amortized over the useful life of the underlying asset.

5.10 Foreign currency transactions

- 5.10.1 The financial statements are presented in Indian Rupees, which is also the Group's functional currency.
- 5.10.2 All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.
- 5.10.3 Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.
- 5.10.4 Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the date of transaction.

Foreign Branch Operations

- 5.10.5 Income and expenditure transactions are translated to functional currency using monthly moving average exchange rate.
- 5.10.6 Monetary assets and liabilities of foreign branch as at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.
- 5.10.7 Non-monetary items of foreign branch are carried at historical cost denominated in foreign currency and are reported using the exchange rates at the transaction date.

5.11 Borrowing Costs

- 5.11.1 Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- 5.11.2 Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Group determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Group capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost are expensed in the period in which they occur.

5.12 Earnings per Share

- 5.12.1 Profit after tax is divided by the weighted average number of equity shares including un-allotted bonus shares outstanding during the year, after deducting treasury shares which represents holding of its own shares indirectly through associates by way of reciprocal interests.
- 5.12.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Profit for the purpose of computing Earnings per share.
- 5.12.3 The Group do not have any potential equity shares.

5.13 Impairment of Non-financial Assets

- 5.13.1 The carrying values of assets include property, plant and equipment, investment properties, cash generating units

and intangible assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

- 5.13.2 Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.
- 5.13.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.
- 5.13.4 An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

5.14 Provisions, Contingent Liabilities and Contingent Assets

- 5.14.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.
- 5.14.2 Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- 5.14.3 The Group provides for the estimated expenses at fair value that are required to restore mines. The estimated restoration expenses are determined based on the estimated mineral reserves available. The actual expenses may vary based on the nature of restoration and estimate of restoration expenses. Mines restoration expenses are incurred on an on-going basis until the closure of mines. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates and expected timing of these costs. The provision for this expense is included under "Cost of materials consumed" to the extent such mineral reserves were used in the production. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.
- 5.14.4 Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.
- 5.14.5 Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only



by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

5.15 Intangible Assets

- 5.15.1 The costs incurred in connection with securing right to extract mineral reserves are capitalised under "Mining Rights" and the costs of stripping overburden to gain access to limestone deposits and the present value of restoration liability, if materially significant, to the extent of exposed overburden area are capitalised under "Mine Development".
- 5.15.2 The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- 5.15.3 The cost incurred for right to un-restricted usage of power transmission system for sale of power from Group's captive thermal power plants to State grid and for drawal of power from State grid to its plant were capitalized as the Group is expected to yield future economic benefits.
- 5.15.4 Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team. Its accounting classification is given below:

Nature of Intangible assets	Estimated useful life
Mining rights	Over the period of mining lease
Mine Development	Unit of production method
Computer software	6 years
Power transmission system	5 years

Amortisation of Intangible assets	Accounting classification
Mining rights	Depreciation & Amortisation
Mine Development	Cost of materials consumed
Computer software	Depreciation & Amortisation
Power transmission system - Sale of power - Purchase of power	Income from merchant power Power & Fuel

- 5.15.5 The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

- 5.15.6 The residual values, useful lives and methods of depreciation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

5.16 Investment Properties

- 5.16.1 An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- 5.16.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.
- 5.16.3 The Group identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
- 5.16.4 Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings under Investment properties	3 to 60 years

- 5.16.5 Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount received towards investment properties that are impaired and derecognised in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.
- 5.16.6 The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

5.17 Operating Segments

The Group's business operation comprises of single operating segment viz., cement and cementitious materials. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

5.18 Financial Instruments

- 5.18.1 A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
- 5.18.2 Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Group has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.
- 5.18.3 The Group initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets/liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Group. When the Group reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Group does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial Assets

- 5.18.4 Financial assets comprises of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.
- 5.18.5 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:
- Amortised cost; or
 - Fair value through other comprehensive income (FVTOCI); or
 - Fair value through profit or loss (FVTPL)
- Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.
- 5.18.6 The Group has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial

assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification / Business Model
Amortised cost
The objective of the Group is to hold and collect the contractual cash flows till maturity. In other words, the Group do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI
The objective of the Group is to collect its contractual cash flows and selling financial assets.

Investment in equity of subsidiary and associates are carried at cost (i.e) previous GAAP carrying amount as the date of transition to Ind AS. The Group has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Group classifies its financial assets for measurement as below:

Classification / Name of Financial Assets
Amortised cost
Trade receivables, Loans and advances to employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI
Equity investments in companies other than Subsidiary & Associate as an option exercised at the time of initial recognition.
FVTPL
Investments in mutual funds, forward exchange contracts.

- 5.18.7 Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Group also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:
- significant risk and rewards of the financial asset, or
 - control of the financial asset

However, the Group continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset. The Group has applied the de-recognition requirements prospectively.



- 5.18.8 Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.
- 5.18.9 For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Impairment testing methodology for Financial Assets
Trade receivables
Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets
When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

- 5.18.10 Financial liabilities comprises of Borrowings from Banks, Debentures, Soft loan/Interest free loan from Government, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.
- 5.18.11 The Group measures its financial liabilities as below:

Measurement basis / Name of Financial liabilities
Amortised cost
Borrowings, Debentures, Soft Loan/Interest free loan from Government, Trade payables, Interest accrued, Unclaimed/Disputed dividends, Security deposits, Mines restoration obligation and other financial liabilities not for trading.
FVTPL
Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

- 5.18.12 Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.
- 5.18.13 Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.
- 5.18.14 Upon derecognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

5.19 Fair value measurement

- 5.19.1 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.
- 5.19.2 The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- 5.19.3 All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:
- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.
- 5.19.4 For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

5.19.5 For the purpose of fair value disclosures, the Group has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

5.19.6 The basis for fair value determination for measurement/disclosure purposes is as below:

Investments in Equity/Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade and other receivables

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, soft loan from government, deferred sales tax liability, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial guarantee obligation

The fair value of financial guarantee obligation with reference to loan availed by subsidiary/associates is determined on the basis of estimated cost involved in securing equivalent size of the guarantees from bank.

Investment Properties

The fair value is determined for disclosure purposes based on an annual evaluation performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

6. Significant Estimates and Judgements

The preparation of the 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. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years. Accordingly, the management has applied the following estimates/assumptions/judgements in preparation and presentation of financial statements:

Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by technical team duly reviewed by the management at each reporting date. Wherever the management believes that the assigned useful life and residual value are appropriate, such recommendations are accepted and adopted for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of Trade receivables

The impairment for financial assets are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

***Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)***

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Mine Development

In determining the allocation of mine development cost based on the unit of production method, assumptions and estimates are made by the management, in relation to the estimated mineral reserves available for the remaining period.

Mines Restoration Expenditure

In determining the provision for Mines restoration expenditure, assumptions and estimates are made by the management, in relation to discount rates, the expected mineral reserves, estimated cost to restore the mines and the expected timing of those costs.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the

actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Interests in other entities

The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though the Parent holds less than 20% of the voting rights. Significant management judgement is exercised in determining the interests in other entities to determine whether such associates are individually immaterial or not for the purpose of disclosure requirements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 7

PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Year	Gross Block			Depreciation			Impairment			Net Block			
		As at the beginning of the year	Additions	Deductions	As at the end of the year	For the year (Note 44)	Deductions	As at the end of the year	Impairment Loss for the year	Deductions	As at the end of the year	As at the beginning of the year		
Own assets	2016-17	505.77	43.36	0.18	548.95	-	-	-	-	-	-	548.95	505.77	
	2015-16	484.00	21.99	0.22	505.77	-	-	-	-	-	-	505.77	484.00	
	2016-17	772.00	41.30	0.77	812.53	37.47	0.41	205.76	0.35	0.35	-	606.77	603.30	
	2015-16	702.96	69.04	-	772.00	132.41	36.29	168.70	-	-	-	603.30	570.55	
	2016-17	5,845.63	216.78	17.26	6,045.15	191.61	9.86	2,356.66	7.30	7.30	1.27	3,687.22	3,669.45	
	2015-16	5,630.21	222.02	6.60	5,845.63	233.56	3.20	2,174.91	0.50	0.50	1.27	3,669.45	3,684.39	
	2016-17	114.59	0.76	-	115.35	30.28	7.44	37.72	-	-	-	77.63	84.31	
	2015-16	68.89	45.70	-	114.59	25.51	4.77	30.28	-	-	-	84.31	43.38	
	2016-17	46.65	2.16	2.16	46.65	33.45	3.49	35.01	0.01	0.01	-	11.64	13.20	
	2015-16	46.63	0.98	0.96	46.65	30.43	3.93	33.45	-	-	-	13.20	16.20	
	2016-17	63.75	-	-	63.75	49.64	1.24	50.88	-	-	-	12.87	14.11	
	2015-16	70.85	0.92	8.02	63.75	54.87	2.39	49.64	0.04	0.04	-	14.11	15.98	
	2016-17	45.85	2.87	1.55	47.17	17.92	3.57	20.20	0.02	0.02	-	26.97	27.93	
	2015-16	39.72	6.34	0.21	45.85	14.76	3.37	17.92	-	-	-	27.93	24.96	
	2016-17	47.47	4.02	1.20	50.29	30.89	5.22	34.99	0.02	0.02	-	15.30	16.58	
	2015-16	44.37	3.88	0.78	47.47	25.95	5.67	30.89	0.04	0.04	-	16.58	18.42	
	2016-17	24.67	4.03	2.71	25.99	12.31	2.44	12.86	-	-	-	13.13	12.36	
	2015-16	21.72	4.35	1.40	24.67	10.63	2.47	12.31	-	-	-	12.36	11.09	
	2016-17	7,466.38	315.28	25.83	7,755.83	2,518.10	252.48	16.50	2,754.08	7.70	7.70	1.27	5,000.48	4,947.01
	2015-16	7,109.35	375.22	18.19	7,466.38	2,239.11	292.45	13.46	2,518.10	0.58	0.58	1.27	4,947.01	4,868.97

Notes

- (a) The Group has opted to use previous GAAP carrying amount as Deemed cost as at the date of transition to Ind AS (i.e As at 01-04-2015). However, as per the FAQ issued by Accounting Standard Board of ICAI, the above information regarding gross block of assets, accumulated depreciation and provision for impairment under Previous GAAP is provided as an additional disclosure and the same is not considered for subsequent recognition and/or measurement purposes.
- (b) No Borrowings cost have been capitalised for both current and previous year.
- (c) The carrying amount of movable fixed assets of the Company and immovable properties (excluding mining lands) pertaining to Cement plant located at Alathiyur, Ariyalur, Ramasamy Raja Nagar, Jayanthipuram, Mathodu, Chengalpattu, Salem and 33.24 MW of WEGs have been pledged by way of pari passu first charge as security for Long term Borrowings (Note 25).
- (d) Deductions in Gross Block comprises of:

Particulars	2016-17			2015-16		
	Sale of Assets	Impairment of Assets	Total	Sale of Assets	Impairment of Assets	Total
Land	0.18	-	0.18	0.22	-	0.22
Building	0.09	0.68	0.77	-	-	-
Plant and Equipments	0.35	16.91	17.26	0.24	6.36	6.60
Workshop and Quarry Equipments	2.14	0.02	2.16	0.96	-	0.96
Research and Development Equipments	-	-	-	7.36	0.66	8.02
Furniture and Fixtures	0.69	0.86	1.55	0.10	0.11	0.21
Office Equipments	0.88	0.32	1.20	0.10	0.68	0.78
Vehicles	2.71	-	2.71	1.40	-	1.40
Total	7.04	18.79	25.83	10.38	7.81	18.19



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 8

CAPITAL WORK IN PROGRESS (CWIP)

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under PPE	As at the end of the year
Buildings	2016-17	30.81	36.84	41.27	26.38
	2015-16	37.23	62.61	69.03	30.81
Plant & Equipments	2016-17	105.75	179.97	216.43	69.29
	2015-16	182.97	123.58	200.80	105.75
Railway Siding	2016-17	1.75	0.76	0.76	1.75
	2015-16	37.38	10.07	45.70	1.75
Total	2016-17	138.31	217.57	258.46	97.42
	2015-16	257.58	196.26	315.53	138.31

NOTE 9

INVESTMENT PROPERTY

₹ In Crores

Particulars	Year	Gross Block				Depreciation				Net Block	
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year	As at the beginning of the year
Land	2016-17	85.56	-	-	85.56	-	-	-	-	85.56	85.56
	2015-16	85.56	-	-	85.56	-	-	-	-	85.56	85.56
Buildings	2016-17	49.69	16.26	-	65.95	3.78	1.97	-	5.75	60.20	45.91
	2015-16	43.97	5.72	-	49.69	2.23	1.55	-	3.78	45.91	41.74
Total	2016-17	135.25	16.26	-	151.51	3.78	1.97	-	5.75	145.76	131.47
	2015-16	129.53	5.72	-	135.25	2.23	1.55	-	3.78	131.47	127.30

Notes

- The Group measured all of its Investment Properties at Cost in accordance with Ind AS 40.
- The fair valuation of these investment properties are determined by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets and further moderated by market-corroborated inputs.
- The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- Deductions represents investment properties sold.

Information regarding Income & Expenditure of Investment Property

₹ In Crores

Particulars	31-03-2017	31-03-2016
Rental Income derived from Investment Properties	0.35	0.25
Less: Direct Operating Expenses (including Repairs & Maintenance) generating Rental Income	0.02	-
Less: Direct Operating Expenses (including Repairs & Maintenance) that did not generate Rental Income	-	-
Profit from investment properties before depreciation	0.33	0.25
Less: Depreciation	1.97	1.55
Profit/(Loss) from investment properties	(1.64)	(1.30)

Information regarding Fair value of Investment Property

₹ In Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Fair value of Investment Properties	177.03	200.96	166.62

Note

The fair valuation of the investment properties are determined annually by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. All resulting fair value estimates for investment properties are included in Level 2.

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 10

INTANGIBLE ASSETS

₹ In Crores

Particulars	Year	Gross Block				Amortisation				Net Block	
		As at the beginning of the year	Additions	Deductions	As at the end of the year	As at the beginning of the year	For the year (Note 44)	Deductions	As at the end of the year	As at the end of the year	As at the beginning of the year
Mining rights	2016-17	33.77	0.26	8.46	25.57	19.38	1.59	8.46	12.51	13.06	14.39
	2015-16	33.38	0.39	-	33.77	18.16	1.22	-	19.38	14.39	15.22
Mine Development	2016-17	88.96	6.81	24.84	70.93	57.22	16.20	24.84	48.58	22.35	31.74
	2015-16	82.33	6.63	-	88.96	39.78	17.44	-	57.22	31.74	42.55
Computer Software	2016-17	61.47	8.60	-	70.07	32.67	10.83	-	43.50	26.57	28.80
	2015-16	59.39	4.59	2.51	61.47	25.14	10.04	2.51	32.67	28.80	34.25
Power Transmission System	2016-17	12.96	0.86	-	13.82	8.65	2.76	-	11.41	2.41	4.31
	2015-16	12.96	-	-	12.96	6.06	2.59	-	8.65	4.31	6.90
Total	2016-17	197.16	16.53	33.30	180.39	117.92	31.38	33.30	116.00	64.39	79.24
	2015-16	188.06	11.61	2.51	197.16	89.14	31.29	2.51	117.92	79.24	98.92

Notes

(a) The Group has opted to use previous GAAP carrying amount as Deemed cost as at the date of transition to Ind AS (i.e As at 01-04-2015). However, as per the FAQ issued by Accounting Standard Board of ICAI, the above information regarding gross block of assets, accumulated amortisation and provision for impairment under Previous GAAP is provided as an additional disclosure and the same is not considered for subsequent recognition and/or measurement purposes.

(b) Deductions represents impaired intangible assets de-recognised from the financial statements since no future economic benefit is expected.

NOTE 11

INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ In Crores

Particulars	Year	As at the beginning of the year	Additions	Capitalised under		As at the end of the year
				CWIP	Intangible Asset	
Mine Development	2016-17	5.78	23.87	-	6.81	22.84
	2015-16	5.14	7.27	-	6.63	5.78
Power Transmission System	2016-17	2.75	-	1.89	0.86	-
	2015-16	-	2.75	-	-	2.75
Total	2016-17	8.53	23.87	1.89	7.67	22.84
	2015-16	5.14	10.02	-	6.63	8.53



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 12

INVESTMENTS IN ASSOCIATES

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
		Number	Amount	Number	Amount	Number	Amount
Quoted Investments - Fully paid up Equity Shares							
Ramco Systems Limited	10	54,17,810	107.50	54,17,810	105.66	54,17,810	101.38
Ramco Industries Limited	1	1,33,72,500	67.72	1,33,72,500	57.93	1,33,72,500	50.28
Rajapalayam Mills Limited	10	25,600	1.06	25,600	0.72	7,25,600	16.69
Total Quoted Investments (A)			176.28		164.31		168.35
Unquoted Investments - Fully paid up Equity Shares							
Madurai Trans Carrier Limited	1	5,37,50,000	5.37	5,37,50,000	5.38	-	-
Lynks Logistics Limited	1	3,19,00,000	2.26	19,00,000	0.19	-	-
Sri Vishnu Shankar Mill Limited	10	2,100	0.01	2,100	0.01	2,100	0.01
Total Unquoted Investments (B)			7.64		5.58		0.01
Total Investments in Associates (A + B)			183.92		169.89		168.36
Aggregate Market Value of Quoted Investments			530.25		507.09		463.73
Aggregate Amount of Impairment in value of Investments			-		-		-

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 12a

OTHER INVESTMENTS

₹ In Crores

Particulars	Face Value ₹ per Share	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
		Number	Amount	Number	Amount	Number	Amount
Quoted Investments							
Equity Investments fully paid up (designated at FVTOCI)							
Associated Cements Company Limited	10	103	0.02	103	0.01	103	0.02
India Cements Limited	10	58	0.00	58	0.00	58	0.00
Andhra Cements Limited	10	27	0.00	27	0.00	27	0.00
Heidelberg Cements India Limited	10	170	0.00	170	0.00	170	0.00
Housing Development Finance Corporation Limited	2	17,400	2.61	17,400	1.92	17,400	2.29
HDFC Bank Limited	2	2,500	0.36	2,500	0.27	2,500	0.25
Indbank Merchant Banking Services Limited	10	50,000	0.07	50,000	0.04	50,000	0.05
Tamil Nadu News Print & Papers Limited	10	22,700	0.71	22,700	0.50	22,700	0.29
Indian Bank	10	2,792	0.08	2,792	0.03	2,792	0.05
Industrial Development Bank of India Limited	10	14,240	0.11	14,240	0.10	14,240	0.10
Sub-total			3.96		2.87		3.05
Investments in Mutual Funds (measured at FVTPL)							
HDFC Mutual Fund	10	1,56,696	0.45	1,45,786	0.37	1,37,197	0.37
Sub-total			0.45		0.37		0.37
Total Quoted Investments (A)			4.41		3.24		3.42
Aggregate Market Value of Quoted Investments			4.41		3.24		3.42
Unquoted Investments - Fully paid up Equity Shares							
Other entities (designated at FVTOCI)							
AP Gas Power Corporation Limited	10	16,08,000	22.12	16,08,000	22.12	16,08,000	22.12
Chettinad Cement Corporation Limited	10	-	-	-	-	100	0.00
The Ramco Cements Employees' Co-operative Stores Ltd.	10	250	0.00	250	0.00	250	0.00
Total Unquoted Investments (B)			22.12		22.12		22.12
Total Other Investments (A+B)			26.53		25.36		25.54

NOTE 13

LOANS AND ADVANCES (NON-CURRENT)

Secured and Considered Good

Loans and advances to employees	9.94	9.71	9.79
Loans and advances to service providers	2.39	0.72	1.83

Unsecured and Considered Good

Loans and advances to employees	2.53	3.06	1.73
Loans and advances to service providers	0.08	-	-

Total

	14.94	13.49	13.35
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Notes

(a) Loans and advances are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.

(b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores		
	31-03-2017	31-03-2016	01-04-2015
NOTE 14			
OTHER FINANCIAL ASSETS (NON-CURRENT)			
Unsecured and Considered Good			
Deposit with Government Departments	9.81	11.72	16.62
Total	9.81	11.72	16.62
NOTE 15			
OTHER NON-CURRENT ASSETS			
Secured and Considered Good			
Capital Advances	2.27	7.65	10.30
Unsecured and Considered Good			
Capital Advances	4.12	6.75	8.67
Deposits under protest, in Appeals	32.47	35.31	36.75
Balance/Claims with Government Departments	2.24	4.06	2.97
Income Tax Refund receivable	28.86	20.21	13.95
Prepaid Expenses	12.68	11.11	10.40
Total	82.64	85.09	83.04

Notes

- (a) Capital Advances are secured by way of Bank guarantees.
- (b) The Company's petition filed against the judgement upholding the validity of "The Cess and Other Taxes on Minerals (Validation) Act, 1992" in the Supreme Court has been ruled in company's favour. Pursuant to the above judgement, the Company is entitled to receive a sum of ₹ 1.50 Crores (As at 31-03-2016: ₹ 1.50 Crores; As at 01-04-2015: ₹ 1.50 Crores) from the Government of Tamil Nadu, which is included in 'Balance/Claims with Government Departments'.
- (c) Prepaid Expenses include ₹ 3.60 Crores (As at 31-03-2016: ₹ 3.74 Crores; As at 01-04-2015: ₹ 3.88 Crores) towards unamortised upfront premium paid towards lease of land and out of which, ₹ 0.14 Crores (As at 31-03-2016: ₹ 0.14 Crores; As at 01-04-2015: ₹ 0.14 Crores) have been classified under Other current assets.

	31-03-2017	31-03-2016	01-04-2015
NOTE 16			
INVENTORIES (Valued at lower of Cost or Net Realisable Value)			
Raw materials	179.58	171.29	156.15
Stores, Spares, Fuel and Packing Materials	307.91	274.57	255.03
Work-in-progress	48.48	58.91	60.38
Finished goods	40.60	45.40	50.09
Total	576.57	550.17	521.65

Notes

- (a) Finished goods includes Goods-in-transit of ₹ 8.81 Crores (As at 31-03-2016: ₹ 8.55 Crores; As at 01-04-2015: ₹ 2.91 Crores).
- (b) The total carrying amount of inventories as at the reporting date has been pledged as security for Borrowings.

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 17			
LOANS AND ADVANCES (CURRENT)			
Secured and Considered Good			
Loans and advances to employees	3.13	3.23	3.43
Loans and advances to service providers	2.75	3.37	6.51
Unsecured and Considered Good			
Loans and advances to Associate companies (Note 53[c3])	10.24	4.72	3.04
Loans and advances to other related parties (Note 53[c3])	7.33	6.91	4.67
Loans and advances to employees	3.74	2.75	2.00
Loans and advances to service providers	0.09	-	-
Total	27.28	20.98	19.65

Notes

- (a) Loans and advances are non-derivative financial assets and are carried at Amortized Cost, which generate a fixed or variable interest income for the Company.
- (b) Secured by way of deposit of original title deeds/hypothecation of assets/creation of second charge of the underlying immovable properties.

	31-03-2017	31-03-2016	01-04-2015
NOTE 18			
TRADE RECEIVABLES			
Secured and considered good	366.84	279.46	218.70
Unsecured and considered good	188.06	192.66	163.58
Unsecured and considered Doubtful	9.92	10.25	10.25
Less: Impairment of Trade Receivables	(9.92)	(10.25)	(10.25)
Total	554.90	472.12	382.28

Notes

- (a) Unsecured Trade Receivables include
- | | | | |
|---|---------------|---------------|---------------|
| Dues from State Electricity Boards towards Sale of Power | 132.21 | 140.49 | 119.02 |
| Dues from State Government departments towards Sale of Cement | 15.68 | 19.54 | 18.24 |
| Dues from Associates towards Sale of Cement | 0.04 | 0.32 | 0.02 |
| Dues from Other Related party towards Sale of Cement | - | 0.01 | 0.23 |
| Total | 147.93 | 160.36 | 137.51 |

- (b) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (c) Trade receivables are non-interest bearing and are generally on terms of around 30 days. However, for certain receivables of wind power, overdue interest is applicable (Ref Note No.37[a]).
- (d) The receivables from the related parties are furnished in Note 53[c1].
- (e) The total carrying amount of trade receivables has been pledged as security for Borrowings.

	31-03-2017	31-03-2016	01-04-2015
NOTE 19			
CASH AND CASH EQUIVALENTS			
Cash on hand	0.10	0.09	0.13
Imprest balances	0.04	0.04	0.03
Balances with Banks in Current Account	83.20	83.95	57.69
Total	83.34	84.08	57.85



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 20			
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS			
Fixed Deposits with original maturity of more than 3 months but less than 12 months	32.47	2.30	26.54
Earmarked Balance with Banks for Unclaimed/Disputed Dividend	3.96	4.75	4.33
Total	36.43	7.05	30.87

Notes

Fixed Deposits with Banks include -

- (a) ₹25.86 Crores (As at 31-03-2016: Nil; As at 01-04-2015: ₹25.86 Crores) deposited by the Company as per the directions issued by Competition Appellate Tribunal in the matter of alleged cartelisation.
- (b) ₹4.50 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil) deposited in an escrow account towards buy-back of shares.
- (c) ₹2.11 Crores (As at 31-03-2016: ₹2.30 Crores; As at 01-04-2015: ₹0.18 Crores) which is held towards security to various Government Departments.

	31-03-2017	31-03-2016	01-04-2015
NOTE 21			
OTHER FINANCIAL ASSETS (CURRENT)			
Unsecured and Considered Good			
Advances/Claims receivable	17.14	12.40	13.23
Deposits with Government Departments	0.54	0.55	0.52
Industrial Promotion Assistance receivable	10.12	15.06	101.00
Interest receivable	1.56	0.56	1.31
Unbilled Revenue	2.03	1.01	2.32
Total	31.39	29.58	118.38

Notes

- (a) Industrial Promotion Assistance receivable include -
- Government of Andhra Pradesh for ₹10.12 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil)
 - Government of West Bengal for ₹Nil (As at 31-03-2016: ₹15.06 Crores; As at 01-04-2015: ₹101.00 Crores)
- (b) Unbilled Revenue represent the value of power evacuated to grid but not billed under -
- Power purchase agreement for wind power for ₹1.77 Crores (As at 31-03-2016: ₹0.71 Crores; As at 01-04-2015: ₹1.20 Crores).
 - Wheeling & Banking arrangement for the realisable value of unadjusted units of wind power of ₹0.10 Crores (As at 31-03-2016: ₹0.04 Crores; As at 01-04-2015: ₹0.12 Crores).
 - Power purchase agreement from captive thermal power plants - Nil (As at 31-03-2016: ₹0.20 Crores; As at 01-04-2015: ₹0.94 Crores)
 - Group captive wheeling and banking arrangement for unbilled units of wind power valued for ₹0.16 Crores (As at 31-03-2016: ₹0.06 Crores; As at 01-04-2015: ₹0.06 Crores).

	31-03-2017	31-03-2016	01-04-2015
NOTE 22			
OTHER CURRENT ASSETS			
Advance Income Tax & Tax deducted at source	0.18	0.05	-
Balance/Claims with Government Departments	53.54	98.86	63.39
Advances to Suppliers & Service providers	26.46	22.16	31.31
Tax Credit - Indirect taxes	26.01	43.18	42.65
Prepaid Expenses	5.68	5.95	6.99
Total	111.87	170.20	144.34

Note

Advance Income tax and tax deducted at source is after net of provision for tax of ₹1.20 Crores (As at 31-03-2016: ₹0.09 Crores; As at 01-04-2015: ₹0.37 Crores).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 23			
EQUITY SHARE CAPITAL			
Authorised			
25,00,00,000 Equity Shares of ₹ 1/- each	25.00	25.00	25.00
(As at 31-03-2016 & 01-04-2015: 25,00,00,000 Equity Shares of ₹ 1/- each)			
Issued, Subscribed and Fully paid-up			
23,80,76,780 Equity Shares of ₹ 1/- each	23.81	23.81	23.81
(As at 31-03-2016 & 01-04-2015: 23,80,76,780 Equity Shares of ₹ 1/- each)			

Note

2,33,600 bonus shares (As at 31-03-2016: 2,33,600 bonus shares; As at 01-04-2015: 2,33,600 bonus shares) of ₹1/- each remain unallotted pending completion of required formalities.

(i) Reconciliation of the number of shares			
No. of equity shares at the beginning of the year	23,80,76,780	23,80,76,780	23,79,69,380
Bonus Issue allotted during the year	-	-	1,07,400
No. of Equity shares at the end of the year	23,80,76,780	23,80,76,780	23,80,76,780

(ii) Term/Rights/Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 1/- each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shareholders holding more than 5 percent in the Company and/or Shares held by Associates

	As at 31-03-2017		As at 31-03-2016		As at 01-04-2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Ramco Industries Limited	4,93,12,420	20.71	4,93,12,420	20.71	4,93,12,420	20.71
Rajapalayam Mills Limited	3,29,05,000	13.82	3,29,05,000	13.82	3,29,05,000	13.82
Sri Vishnu Shankar Mill Limited	38,83,200	1.63	38,83,200	1.63	38,83,200	1.63
The Ramaraju Surgical Cotton Mills Limited	36,24,000	1.52	36,24,000	1.52	36,24,000	1.52
Sudharsanam Investments Limited	29,82,600	1.25	29,82,600	1.25	29,82,600	1.25
(iv) Aggregate number of equity shares of ₹1/- each allotted as fully paid up by way of Bonus Shares during the period of five years immediately preceding the reporting date		1,07,400		1,07,400		1,07,400

Note

The Board of Directors have approved buy-back of shares on 07-02-2017, with minimum buy-back size of ₹90 Crores but upto a maximum size of ₹180 crores at a price not exceeding ₹720/- per share subject to minimum of 12.50 lakhs shares and maximum of 25 lakhs shares. The buy-back period is from 20-02-2017 to 18-08-2017. The buy-back is proposed to be carried out through Open Market purchases on the Stock Exchanges. The Company has not bought back any shares till 31-03-2017. However, the Company has so far purchased 15,60,150 Shares at an average rate of ₹671 per share at a total cost of ₹104.71 Crores from 01-04-2017 till the date of board meeting.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores		
	31-03-2017	31-03-2016	01-04-2015
NOTE 24			
OTHER EQUITY			
Capital Redemption Reserve			
Balance as per last financial statement	1.38	1.38	1.38
Nature of Reserve			
<i>Capital Redemption Reserve was created for a sum equivalent to its face value at the time of Buy-back of Shares in the earlier years. The Company can use this reserve for issuing fully paid up Bonus shares.</i>			
Debenture Redemption Reserve			
Balance as per last financial statement	125.00	-	-
Add: Amount transferred from Retained Earnings	-	125.00	-
Less: Amount transferred to General Reserve to the extent of Debentures redeemed	75.00	-	-
Total	50.00	125.00	-
Nature of Reserve			
<i>Debenture Redemption Reserve represents statutory reserve for Non-convertible Debentures issued. This is in accordance with Companies Act, 2013, where in a portion of profit are appropriated each year equivalent to 25% of the face value of debentures issued and outstanding as at the reporting date. This reserve will be released upon redemption of debentures.</i>			
Capital Reserve on Consolidation			
Balance as per last financial statement	49.01	49.01	-
Add: Adjustments on account of transition to Ind AS	-	-	49.01
Total	49.01	49.01	49.01
Nature of Reserve			
<i>Capital reserve on consolidation represents excess of the Parent's share of the net fair value of the investments in Associates over the cost of the investment which is recognised directly in equity as capital reserve upon transition.</i>			
General Reserve			
Balance as per last financial statement	2,840.94	2,518.50	2,518.50
Add: Amount transferred from Debenture Redemption Reserve	75.00	-	-
Add: Amount transferred from Retained Earnings	546.87	322.44	-
	3,462.81	2,840.94	2,518.50
Nature of Reserve			
<i>General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.</i>			
Retained Earnings			
Balance as per last financial statement	91.54	124.68	81.93
Add: Adjustments on account of transition to Ind AS	-	-	42.75
Add: Profit for the year	662.74	545.23	-
Add: Transfer from FVTOCI Reserve	(2.33)	(1.86)	-
Balance available for Appropriations	751.95	668.05	124.68
Less: Appropriations			
Interim Dividend (₹ 3 per share)	-	71.49	-
Dividend Distribution Tax on Interim Dividend	-	14.56	-
Final Dividend (₹ 1.50 per share)	-	35.75	-
Dividend Distribution Tax on Final Dividend	-	7.27	-
Transfer to Debenture Redemption Reserve	-	125.00	-
Transfer to General reserve	546.87	322.44	-
Total Appropriations	546.87	576.51	-
	205.08	91.54	124.68
Nature of Reserve			
<i>Retained Earnings represent the undistributed profits of the Company remaining after transfer to other Reserves.</i>			

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		₹ In Crores	
	31-03-2017	31-03-2016	01-04-2015
Fair Value through Other Comprehensive Income Reserve			
Balance as per last financial statement	1.46	2.60	-
Other Comprehensive Income for the year	(0.42)	(3.00)	2.60
	1.04	(0.40)	2.60
Less: Transfer to Retained Earnings	(2.33)	(1.86)	-
	3.37	1.46	2.60

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss/gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Total	3,771.65	3,109.33	2,696.17
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NOTE 24a

	31-03-2017	31-03-2016	01-04-2015
NON-CONTROLLING INTERESTS			
Share of Capital in Subsidiary	0.29	0.29	0.29
Share of Profit in Subsidiary	1.65	0.41	0.32
Total	1.94	0.70	0.61

NOTE 25

LONG TERM BORROWINGS

Secured

Redeemable Non Convertible Debentures (NCDs) at par

8.55% Non Convertible Debentures	-	99.76	-
8.70% Non Convertible Debentures	-	99.85	-
Term Loans from Banks	74.09	379.79	1,216.40
Soft Loan from Government	122.90	118.27	110.77

Unsecured

Interest free Deferred Sales tax liability	314.05	361.79	398.74
Total	511.04	1,059.46	1,725.91

Notes

(a) Redeemable Non Convertible Debentures at par

- 8.55% NCDs are secured by *Pari passu* first charge, by way of hypothecation, on the movable fixed assets of the company, both present and future.
- 8.70% NCDs are secured by *Pari passu* first charge, by way of mortgage, on the immovable properties, both present and future, pertaining to cement plant at Alathiyur, Tamil Nadu.
- As per Ind AS 109, the processing fees (i.e) transaction cost on Borrowings is adjusted against the borrowings upon initial recognition and the same is amortised based on Effective Interest Rate method over the tenure of the Borrowings. The un-amortised transaction cost adjusted against Borrowings as at the reporting date is Nil (As at 31-03-2016: ₹ 0.39 Crores; As at 01-04-2015: Nil). The effective Interest rate for 8.55% NCDs is 8.63% and for 8.70% NCDs is 8.78%.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

(b) Term Loans from Banks

- (i) *Pari passu first charge, by way of hypothecation, on the movable fixed assets of the company, both present and future.*
- (ii) *Pari passu first charge, by way of mortgage, on the immovable properties, both present and future, pertaining to company's integrated cement plants.*
- (iii) *Pari passu first charge on fixed assets by way of hypothecation of 33.24 MW of Wind Electric Generators (WEGs).*
- (iv) *The maturity profile of the term loans is given below:*

Year/Interest Rates	8.30%	8.15%	Total
2018 - 19	33.32	4.94	38.26
2019 - 20	33.36	2.47	35.83
Total	66.68	7.41	74.09

- (v) *The un-amortised transaction cost adjusted against Term Loan from Banks as at the reporting date is Nil (As at 31-03-2016: ₹ 0.03 Crores; As at 01-04-2015: ₹ 1.43 Crores).*

(c) Soft Loan from Government

- (i) *The Company has opted to apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. The Company has done the fair value measurement for the soft loan availed after the date of transition. The difference between fair value of the loan and the carrying amount is classified as Deferred Grant.*

Particulars	31-03-2017	31-03-2016	01-04-2015
Soft Loan availed prior to the date of transition, for which Previous GAAP carrying amount is considered as carrying amount as per exemption provided Ind AS 101.	110.77	110.77	110.77
Add: Fair value of Soft Loan on initial recognition, for the loans availed post Ind AS transition (Actual Loan availed during 2016-17 is ₹ 10.00 Crores; 2015-16: ₹ 18.60 Crores)	10.83	7.04	-
Add: Interest accrued on the fair value of soft loan as at the reporting date	1.30	0.46	-
Total	122.90	118.27	110.77

- (ii) *Pari passu first charge, by way of hypothecation on the movable fixed assets and mortgage on the immovable properties pertaining to Cement unit located in Ariyalur, Expansion at Ramasamy Raja Nagar Plant, Grinding units at Chengalpattu and Salem.*
- (iii) *This loan carries an interest rate of 0.10% p.a. and are repayable upon completion of 10th year from the date of availment.*
- (iv) *Undiscounted value of the soft loan from government being, ₹ 139.37 Crores (Fair value as at the reporting date is ₹ 122.90 Crores), are repayable as per the schedule given below:*

Repayment Due	Instalment Amount
April 2022	30.74
April 2023	50.01
April 2024	30.02
April 2025	18.60
April 2026	10.00
Total	139.37

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

(d) Interest free Deferred Sales tax Liability

- (i) The Company has opted to apply the fair value measurements for the loans availed at a concessional rate prospectively and accordingly, the Company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance sheet. The Company has not availed any interest free loan after the transition date.
- (ii) The Company has availed Interest free Deferred Sales tax liability from State Government under Deferral Sales tax scheme for the Investments made in Alathiyur and Jayanthipuram plant.
- (iii) The maturity profile of Interest free Deferred Sales tax liability is given below:

Repayment Due	No. of Instalments	Instalment Amount
2018 - 19	12	69.21
2019 - 20	12	99.75
2020 - 21	7	63.69
2021 - 22	-	-
2022 - 23	4	16.24
2023 - 24	9	38.21
2024 - 25	4	18.64
2025 - 26	3	8.31
Total	51	314.05

NOTE 26

PROVISIONS (LONG TERM)

Provision for Mines Restoration Obligation

Total

31-03-2017	31-03-2016	01-04-2015
3.61	1.64	-
3.61	1.64	-

Notes

- (a) The Company provides for the expenses at fair value that are required to restore the mines based on the estimated mineral reserves available and is included in Cost of materials consumed. The unwinding of discount on provision is shown as Finance Costs in the Statement of Profit and Loss.

(b) Movement in Provisions for Mines Restoration Obligation

Carrying amount as at the beginning of the year	1.64	-	-
Add: Provision created during the year	1.70	1.49	-
Add: Unwinding of discount on provisions	0.27	0.15	-
Carrying amount as at the end of the year	3.61	1.64	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 27			
DEFERRED GOVERNMENT GRANTS (NON-CURRENT)			
Deferred Government Grant	11.48	7.71	-
Total	11.48	7.71	-

Notes

(a) Deferred Government Grants comprises of -

- Fair value of Interest benefit below market rate of Interest pertaining to Soft Loan from Government is recognised as Deferred Government Grant and recognised as Grant Income over the useful life of the underlying PPE.
- Industrial Promotion Assistance (IPA) provided by Department of Industries, Government of Andhra Pradesh towards creation of infrastructure facilities is recognised as 'Grant Income' over the useful life of the underlying PPE.

(b) Movement in Government Grants

As at the beginning of the year	8.29	-	-
Add: Recognition of Deferred Grant - Soft Loan from Government (Note 25[c])	6.21	11.56	-
Add: Recognition of Deferred Grant - IPA for Infrastructure facilities	1.00	-	-
Less: Recognised as Grant Income in the Statement of Profit and Loss (Note 36)	3.06	3.27	-
Total Deferred Government Grant	12.44	8.29	-
Less: Current portion of Government Grant (Note 33)	0.96	0.58	-
Non-Current Deferred Government Grants	11.48	7.71	-

NOTE 28

DEFERRED TAX LIABILITIES (NET)

Nature of Liability/(Asset)	Balance Sheet			Statement of Profit and Loss	
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016
Tax Impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	887.75	867.42	836.43	20.33	30.99
Tax impact on amortization of intangible assets	0.83	1.49	2.38	(0.66)	(0.89)
Tax impact on provision for compensated absences	(8.12)	(7.43)	(6.48)	(0.69)	(0.95)
Tax impact on carry forward loss/unabsorbed depreciation	(5.25)	(4.65)	(1.17)	(0.60)	(3.48)
Tax impact on provision for bad and doubtful debts	(3.43)	(3.55)	(3.55)	0.12	-
Tax Impact on fair valuation of loans and advances	(0.94)	(0.70)	(0.55)	(0.24)	(0.15)
Tax Impact on MTM valuation of forward contract, not designated as hedges	(0.02)	(0.01)	(0.03)	(0.01)	0.02
Tax Impact on transaction cost of borrowings using effective interest rate method	0.02	0.13	0.50	(0.11)	(0.37)
Tax Impact on Asset related subsidy from Government	(0.15)	-	-	(0.15)	-
Tax Impact on Remeasurement gains and (losses) on defined benefit obligations (net)	(2.22)	(0.98)	-	(1.24)	(0.98)
Unused tax credits (i.e) MAT Credit Entitlement	(138.69)	(135.45)	(116.10)	(3.24)	(19.35)
Tax Impact on unrealised profit on assets	(7.18)	(7.37)	(7.62)	0.19	0.25
Others	(1.10)	(0.51)	-	(0.59)	(0.51)
Total	721.50	708.39	703.81	13.11	4.58

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
Reconciliation of Deferred tax Liabilities (Net)		
Opening balance as at 1st April	708.39	703.81
Deferred Tax Expense/(Credit) recognised for profit before share of profit of associates	14.49	5.66
Deferred Tax Expense recognised in Share of profit of Associate	(0.14)	(0.10)
Deferred Tax credit during the year recognised in OCI	(1.24)	(0.98)
Closing balance as at 31st March	721.50	708.39
Components of Tax Expenses		
(i) Profit or Loss Section		
Current Tax		
Current Income Tax charge	188.21	149.84
Excess tax provision related to earlier years written back	-	(23.84)
Deferred Tax		
Relating to the origination and reversal of temporary differences	17.73	25.01
MAT Credit Recognition of current year	(1.20)	(19.35)
MAT Credit Recognition of previous year	(2.04)	-
Total Tax Expenses reported in Profit or Loss section	202.70	131.66
(ii) Other Comprehensive Income Section		
Deferred Tax credit on remeasurement losses on defined benefit obligations (net)	(1.24)	(0.98)
Total Tax Credit to OCI	(1.24)	(0.98)
(iii) Total Tax Expenses reported in Statement of Profit and Loss	201.46	130.68
Reconciliation of the Income tax provision to the amount computed by applying the statutory Income tax rate to the income before taxes is summarised below:		
Accounting Profit before Tax (including OCI)	854.43	659.90
Corporate Tax Rate %	34.608%	34.608%
Computed Tax Expense	295.70	228.38
Increase/(reduction) in taxes on account of:		
Tax adjustments of earlier years	0.18	(23.84)
Non-deductible expenses	2.77	3.39
Income exempt/eligible for deduction under chapter VI-A	(83.77)	(73.93)
Additional allowances/deductions for tax purposes	(12.89)	(3.30)
Different tax rates between the members of the group	(0.53)	(0.02)
Tax Expenses reported in the Statement of Profit and Loss	201.46	130.68

NOTE 29

SHORT TERM BORROWINGS	31-03-2017	31-03-2016	01-04-2015
Secured			
Loan from Banks	25.00	10.00	75.00
Buyers Credit in foreign currency	-	18.52	38.13
Cash credit	131.67	275.31	151.37
Unsecured			
Loans and advances from Director	17.35	4.81	0.33
Loan from Banks	-	321.98	26.88
Commercial Papers	460.49	-	208.59
Total	634.51	630.62	500.30

Notes

- (a) Borrowings are secured by way *Pari passu* first charge, by way of hypothecation on trade receivables and inventories of the company, present and future.
- (b) Loans and advances from Director represents amount due to Shri.P.R. Ramasubrahmaneya Rajha, Chairman and Managing Director, which carries an interest rate of 7.50% p.a. (PY: 8% p.a) amounting to ₹ 0.76 Crores (PY: ₹ 0.15 Crores).
- (c) Other short term borrowings carry interest ranging from 6.60% to 9.63% p.a.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores		
	31-03-2017	31-03-2016	01-04-2015
NOTE 30			
TRADE PAYABLES			
Payables to Associates (Note 53[c2])	0.02	1.41	-
Others	256.20	213.39	233.74
Total	256.22	214.80	233.74

Note

There are no dues to Micro and Small Enterprises as at the reporting date (As at 31-03-2016: Nil; As at 01-04-2015: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of such parties have been identified on the basis of information available with the company.

	31-03-2017	31-03-2016	01-04-2015
NOTE 31			
OTHER FINANCIAL LIABILITIES			
Foreign Exchange Forward Contracts, not designated as hedges	0.06	0.46	1.17
Current Maturities of Long Term Borrowings	291.61	450.27	453.21
Interest accrued	9.71	16.72	3.96
Unclaimed dividends	2.79	4.01	3.74
Disputed Dividend	1.80	1.36	1.04
Unclaimed Matured Fixed Deposits	0.01	0.02	0.07
Security Deposits by			
- Associates (Note 53 [c5] & Note 53 [c6])	0.26	0.25	0.25
- Other related parties (Note 53 [c5])	0.35	0.35	0.35
- Customers	614.67	504.35	366.20
- Service providers	3.81	3.28	2.17
Payables for Capital Goods			
- Associates (Note 53 [c2])	-	-	0.22
- Others	24.34	17.42	44.81
Financial Guarantee Obligation	5.82	7.18	8.88
Book overdraft	45.85	71.04	53.31
Other payables	1.27	1.09	1.15
Total	1,002.35	1,077.80	940.53

Notes

(a) Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates with certain payables in foreign currencies. These are not designated for hedge accounting and thus are measured at fair value through profit or loss. The details of forward contract outstanding as at the reporting date are given below:

Particulars	Currency	31-03-2017	31-03-2016	01-04-2015
Forward Contracts (Sell)	USD in Crores	0.34	0.28	0.90
Net (Gain)/Loss on Mark to Market in respect of forward contracts outstanding as at the reporting date	INR in Crores	0.06	0.46	1.17

(b) Current maturities of Long term Borrowings comprises of maturities towards:

8.55% Non-convertible Debentures redeemable at par	99.96	200.00	-
8.70% Non-convertible Debentures redeemable at par	99.98	100.00	-
Term Loan from Banks	38.26	108.10	414.24
Interest free Deferred Sales tax liability	53.41	42.17	38.97
Total	291.61	450.27	453.21

The un-amortised transaction cost adjusted against current maturities as at the reporting date is ₹ 0.06 Crores (As at 31-03-2016: Nil; As at 01-04-2015: Nil). The details with regard to nature of security are furnished in Note No.25.

(c) Unclaimed Dividend/Matured Fixed deposits represent amount not due for transfer to Investor Education and Protection Fund.

(d) Disputed Dividend represent amounts claimed by the dividend warrant holders, which are subject matter of pending legal disputes.

(e) The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other Income over the tenure of the corporate guarantee.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016	01-04-2015
₹ In Crores			
NOTE 32			
PROVISIONS (SHORT TERM)			
Provision for Compensated absences	23.46	21.48	18.72
Provision for disputed income tax liabilities	23.05	15.24	25.67
Total	46.51	36.72	44.39

Notes

(a) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.

(b) Movement in Provisions for compensated absences

Carrying amount as at the beginning of the year	21.48	18.72	16.52
Add: Current Service Cost	0.98	0.88	0.81
Add: Interest Cost	1.68	1.39	1.41
Add: Actuarial Loss	0.72	1.70	1.64
Less: Benefits paid	1.40	1.21	1.66
Carrying amount as at the end of the year	23.46	21.48	18.72

(c) The Company provides for income tax liability based on the various disallowances in the assessments.

(d) Movement in Provisions for disputed income tax liabilities

Carrying amount as at the beginning of the year	15.24	25.67	28.13
Add: Provision reclassified from Liabilities for current tax	7.81	13.41	-
Less: Excess provision written back during the year	-	23.84	2.46
Carrying amount as at the end of the year	23.05	15.24	25.67

NOTE 33	31-03-2017	31-03-2016	01-04-2015
DEFERRED GOVERNMENT GRANTS (CURRENT)			
Deferred Government Grants (Note 27)	0.96	0.58	-
Total	0.96	0.58	-

NOTE 34

LIABILITIES FOR CURRENT TAX

Provision for Current tax	4.54	5.56	6.23
Total	4.54	5.56	6.23

Note

Provision for current tax is after netting of advance tax/TDS of ₹ 182.46 Crores (As at 31-03-2016: ₹ 144.20 Crores; As at 01-04-2015: ₹ 68.68 Crores).

NOTE 35	31-03-2017	31-03-2016	01-04-2015
OTHER CURRENT LIABILITIES			
Statutory liabilities payable	50.44	50.13	48.84
Advances from Customers	29.95	17.04	15.50
Total	80.39	67.17	64.34

Note

Advances from Customers are received in the normal course of business and adjusted against subsequent supplies.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 36		
REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Sales		
Cement	4,366.27	3967.33
Clinker	16.35	0.27
Dry Mortar Product	28.86	30.95
Ready Mix Concrete	7.61	8.48
Export Sales		
Cement - Direct Exports	33.44	43.92
Cement - Deemed Exports	16.89	13.69
Cement - Sale through Foreign branch	2.02	-
Dry Mortar Product - Direct Exports	-	0.32
Other Operating Revenue		
Sale of power generated from Windmills	90.18	51.87
Scrap Sales	10.84	10.78
Industrial Promotion Assistance	6.50	8.53
Deferred Grant Income (Note 27)	3.06	3.27
Total	4,582.02	4,139.41

Notes

- (a) Sale of Products and Scraps include Excise Duty (Ref Note 41).
- (b) The Company has generated 31.99 Crore units (PY: 18.70 Crore units) net of wheeling and banking at windfarms.
- (c) Out of 31.99 Crore units (PY: 18.70 Crore units) of power generated,
- 23.93 Crore units (PY: 14.22 Crore units) were sold to TANGEDCO for ₹ 72.44 crores (PY: ₹ 43.35 Crores) and 4.49 Crore units (PY: 2.27 Crore units) were sold to related parties for ₹ 17.74 Crores (PY: ₹ 8.52 Crores) shown under "Power generated from windmills".
 - 3.11 Crore units (PY: 2.16 Crore units) were consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer.
 - 0.38 Crore units (PY: 0.04 Crore units) were adjusted towards transmission loss.
 - Unadjusted units eligible for adjustment in subsequent periods is 0.08 Crore units (PY: 0.01 Crore) units. The monetary value of such units is ₹ 0.26 Crores (PY: ₹ 0.10 Crores) and the same is included in 'Unbilled Revenue' under 'Other Financial Assets'.
- (d) Industrial Promotion Assistance from:
- Government of Andhra Pradesh for ₹ 6.50 Crores (PY: Nil) under IDP 2015-20 Scheme.
 - Government of West Bengal for ₹ Nil (PY: ₹ 8.53 Crores) under West Bengal Incentive Scheme 2004.

	31-03-2017	31-03-2016
NOTE 37		
OTHER INCOME		
Interest Income	22.91	8.02
Dividend Income	0.09	0.06
Sundry Receipts	2.42	7.05
Rent Receipts	7.74	7.52
Carbon Credit sales	0.27	0.08
Profit on Sale of Equity shares of Associate	-	9.26
Income from merchant power	4.84	39.58
Gain on Exchange Difference (net)	0.18	3.90
Fair value gain on Mutual Funds	0.05	-
Profit on Sale of Fixed Assets (net)	0.73	-
Total	39.23	75.47

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

Notes

(a) Interest Income include interest received for settlement of overdue outstanding by TANGEDCO for ₹ 15.58 Crores (PY: Nil).

(b) Dividend Income comprises of amount received towards securities measured at:

	31-03-2017	31-03-2016
Deemed Cost (Subsidiary and Associate Companies)	-	1.26
Fair value through Profit and Loss (FVTPL)	0.03	0.02
Fair value through Other Comprehensive Income (FVTOCI)	0.06	0.04
Total	0.09	1.32

(c) Operating lease rent receivable under non-cancellable leases for future periods from the reporting date as a Lessor:

Not Later than one year	7.50	7.47
Later than one year and not later than five years	7.65	14.64
Later than five years	7.85	8.23

(d) Sundry Receipts include Duty Drawback from Customs towards Exports of ₹ 0.32 Crores (PY: ₹ 0.40 Crores) and fair value recognition of financial guarantee contracts of ₹ 1.69 Crores (PY: ₹ 2.03 Crores).

(e) Income from merchant power is after netting off directly attributable expenses of ₹ 16.50 Crores (PY: ₹ 91.22 Crores) and Amortization of Power Transmission system of ₹ 0.71 Crores (PY: ₹ 1.97 Crores).

NOTE 38

COST OF MATERIALS CONSUMED

Lime stone	268.98	250.60
Pozzolona Material	90.93	90.99
Gypsum	32.91	35.71
Other Additives	60.52	68.75
Aggregates	9.60	4.12
Freight & Handling - Inter unit transfer	171.59	121.74
Material handling expenses	6.05	6.97
Total	640.58	578.88

NOTE 39

PURCHASE OF STOCK-IN-TRADE

Cement	31.07	-
Total	31.07	-

NOTE 40

CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Closing Stock

Finished Goods	40.60	45.40
Work-in-progress	48.48	58.91
	89.08	104.31

Opening stock

Finished Goods	45.40	50.09
Work-in-progress	58.91	60.38
	104.31	110.47

(Increase)/Decrease in stock

Excise Duty on Stock variance	15.23	6.16
	(0.29)	3.78

Total	14.94	9.94
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 41		
EXCISE DUTY ON SALE OF GOODS		
Excise Duty on Sale of Cement	608.30	553.05
Excise Duty on Sale of Clinker	2.18	0.03
Excise Duty on Sale of Dry Mortar Product	3.05	3.32
Excise Duty on Sale of Ready Mix Concrete	0.15	0.17
Excise Duty on Scrap Sales	1.01	1.08
Total	614.69	557.65
NOTE 42		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	233.59	217.94
Workmen and Staff welfare	22.56	20.81
Contribution to Provident Fund	12.83	12.22
Contribution to Gratuity Fund	2.21	2.02
Contribution to National Pension System	1.07	1.15
Contribution to Superannuation Fund	6.26	5.26
Total	278.52	259.40
NOTE 43		
FINANCE COSTS		
Interest on Term loans	63.06	163.91
Interest on Debentures	40.78	14.22
Exchange difference on foreign currency borrowings regarded as adjustment to interest cost	-	3.72
Others	1.04	1.91
Total	104.88	183.76
<i>Note</i>		
<i>Others include unwinding of discounts on provisions of ₹ 0.27 Crores (PY: ₹ 0.15 Crores)</i>		
NOTE 44		
DEPRECIATION & AMORTISATION EXPENSE		
Depreciation on Property, Plant & Equipment (Note 7)	252.48	292.45
Amortization of Intangible Assets (Note 10)	31.38	31.29
Depreciation on Investment Property (Note 9)	1.97	1.55
Sub-total	285.83	325.29
Less: Amortization of Intangible assets transferred to:		
Cost of Materials consumed	16.20	17.44
Profit on sale of Power from TPP	0.71	1.97
Power and Fuel	2.05	0.62
Total	266.87	305.26

THE RAMCO CEMENTS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	₹ In Crores	
	31-03-2017	31-03-2016
NOTE 45		
OTHER EXPENSES		
Manufacturing Expenses		
Power & Fuel	518.46	526.97
Packing Materials consumption	149.86	139.03
Stores and Spares consumption	67.84	47.13
Repairs to Plant and equipments	55.18	51.93
Repairs to Buildings	11.83	10.61
Repairs to Vehicles and locomotives	8.10	6.29
General repairs	0.43	0.60
Establishment Expenses		
Managing Director Remuneration	44.42	36.08
IT & Communication expenses	19.13	16.16
Insurance	8.91	7.08
Outsourced establishment expenses	7.33	6.46
General Administration Expenses	3.27	3.23
Travelling expenses	17.56	13.99
Training & Development Expenses	0.28	0.15
Filing & Registration Fees	0.35	0.12
Rent	11.33	10.81
Miscellaneous Expenses	6.01	6.67
Legal and Consultancy expenses	2.99	2.92
Bank Charges	0.54	0.51
Cement Cess	0.21	0.54
Audit Fees and Expenses	0.36	0.36
Security Charges	15.61	13.81
Board Meeting expenses	0.06	0.07
Directors' Sitting fees	0.22	0.21
Impairment Loss on Assets	7.70	0.58
Donations	0.44	3.14
CSR expenditure	7.28	6.66
Input Tax Credit reversal	5.79	4.89
Rates and taxes	17.73	16.47
Loss on Sale of Fixed Assets	-	0.38
Selling and Distribution Expenses		
Transportation and Handling Expenses	738.27	671.90
Advertisement expenses	32.70	23.39
Sales Promotion expenses	40.02	19.22
Selling Agents' Commission	9.57	6.22
Other Selling expenses	2.29	2.21
Bad Debts written off	0.72	0.28
Total	1,812.79	1,657.07

Notes

(a) Power and Fuel is net of revenue related grant of ₹ 4.78 Crores (PY:Nil) and include amortisation of power transmission system of ₹ 2.05 (PY: ₹ 0.62 Crores).



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

	31-03-2017	31-03-2016
(b) Non cancelable long term operating lease obligations for future periods from the reporting date as a Lessee		
Not Later than one year	0.37	0.30
Later than one year and not later than five years	0.98	0.95
Later than five years	4.15	4.37
(c) Audit Fees and Expenses (net of CENVAT Credit)		
Statutory Auditors		
- Statutory Audit [include Foreign Branch Audit fees of ₹ 0.01 Crores (PY: Nil)]	0.22	0.21
- Other Certification work	0.00	0.01
- Reimbursement of Expenses	0.03	0.04
Tax Auditors		
- Tax Audit	0.03	0.02
- Other Certification work	0.01	0.01
- Reimbursement of Expenses	0.00	0.00
Cost Auditors		
- Cost Audit	0.04	0.04
- Reimbursement of Expenses	0.00	0.00
Secretarial Auditors		
- Secretarial Audit	0.03	0.03
- Reimbursement of Expenses	0.00	0.00
Total	0.36	0.36

As per our report annexed

For M.S.JAGANNATHAN &
N.KRISHNASWAMI
Chartered Accountants
Firm Registration No. 001208S
K.SRINIVASAN
Partner
Membership No. 021510
Chennai
30-05-2017

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No. 011205

P.R.VENKETRAMA RAJA
Director
R.S.AGARWAL
Director

S.VAITHIYANATHAN
Chief Financial Officer
K.SELVANAYAGAM
Secretary

THE RAMCO CEMENTS LIMITED

DISCLOSURES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ In Crores

46.	Contingent Liabilities	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
	Guarantees given by the bankers on behalf of company	90.08	31.70	55.29
	Demands/Claims not acknowledged as Debts in respect of matters in appeals by			
	- Parent	1,004.04	962.01	911.55
	- Parent's share in Associates	7.63	12.20	10.66

₹ In Crores

47.	Financial Guarantees	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
	Guarantees given to banks to avail loan facilities by Related parties:			
	- Thanjavur Spinning Mill Limited	12.50	68.00	68.00
	- Sandhya Spinning Mill Limited	-	34.38	34.38
	- Raja Charity Trust	100.00	100.00	100.00

48. As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

Defined Contribution Plan

₹ In Crores

Particulars	31-03-2017	31-03-2016
Employer's Contribution to Provident Fund	12.83	12.22
Employer's Contribution to National Pension System (NPS)	1.07	1.15
Employer's Contribution to Superannuation Fund	6.26	5.26

Defined Benefit Plan (Gratuity) and Other Long term benefits (Compensated Absences)

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016

Reconciliation of Opening and Closing balances of Present Value of Obligation

Defined Benefit Obligation as at the beginning of the year	39.76	33.79	21.48	18.72
Current Service Cost	2.44	2.20	0.98	0.88
Interest Cost	3.16	2.55	1.68	1.39
Actuarial Loss	3.12	2.70	0.72	1.70
Benefits paid	(-) 1.56	(-) 1.48	(-) 1.40	(-) 1.21
Defined Benefit Obligation as at the end of the year	46.92	39.76	23.46	21.48

Reconciliation of Opening and Closing balances of Fair Value of Plan Assets

Fair value of Plan Assets as at the beginning of the year	39.76	33.79	Nil	Nil
Expected Return on Plan Assets	3.39	2.73	Nil	Nil
Actuarial Loss	(-) 0.45	(-) 0.14	Nil	Nil
Employer contribution	5.78	4.86	1.40	1.21
Benefits paid	(-) 1.56	(-) 1.48	(-) 1.40	(-) 1.21
Fair Value of Plan Assets as at the end of the year	46.92	39.76	Nil	Nil



Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016

Actual Return on Plan Assets

Expected Return on Plan Assets	3.39	2.73	Nil	Nil
Actuarial Loss on Plan Assets	(-) 0.45	(-) 0.14	Nil	Nil
Actual Return on Plan Assets	2.94	2.59	Nil	Nil

Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	46.92	39.76	Nil	Nil
Present value of Obligation	46.92	39.76	23.46	21.48
Difference	Nil	Nil	23.46	21.48
Amount recognized in Balance Sheet	Nil	Nil	23.46	21.48

Expense recognized during the year

Current Service Cost	2.44	2.20	0.98	0.88
Net Interest on obligations	(-) 0.23	(-) 0.18	1.68	1.39
Actuarial Loss/(Gain) recognised during the year	Nil	Nil	0.72	1.70
Past service cost	Nil	Nil	Nil	Nil
Expenses recognised in Statement of Profit and Loss	2.21	2.02	3.38	3.97

Amount recognised in the Other Comprehensive Income

Actuarial changes arising from:				
- Experience adjustments on Plan liabilities	1.43	2.35	Nil	Nil
- Experience adjustments on Plan Assets	0.45	0.14	Nil	Nil
- Changes in financial assumptions	1.69	0.35	Nil	Nil
- Changes in demographic assumptions	-	-	Nil	Nil
Amount recognised in OCI during the year	3.57	2.84	Nil	Nil

Investment Details

Funds with LIC	43.77	36.88	Nil	Nil
Bank balance	-	0.08	Nil	Nil
Interest, IT refund receivable and Others	3.15	2.80	Nil	Nil
Total	46.92	39.76	Nil	Nil

Actuarial assumptions

LIC 1996-98 Table applied for service mortality rate	Yes	Yes	Yes	Yes
Discount rate p.a	7.30%	8.10%	7.30%	8.10%
Expected rate of Return on Plan Assets p.a	7.30%	8.10%	Nil	Nil
Rate of escalation in salary p.a	3.25%	3.50%	3.25%	3.50%
Rate of Employee turnover	1.00%	1.00%	1.00%	1.00%

THE RAMCO CEMENTS LIMITED

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016

Estimate of Expected Benefit Payments

Year 1	7.35	6.03	3.41	3.14
Year 2	8.71	7.51	4.16	3.84
Year 3	3.39	2.82	1.62	1.22
Year 4	3.75	3.04	1.59	1.57
Year 5	4.01	3.44	1.65	1.57
Next 5 years	20.34	19.94	8.61	9.13

Gratuity Plan (Funded)	31-03-2017	31-03-2016
Enterprise's best estimate of contribution during next 12 months	6.34	5.76
Average Duration of defined benefit obligations (in years)	7.50	7.60

Quantitative Sensitivity Analysis for significant assumptions

Particulars	Effect on Gratuity Obligation		Effect on provision for Compensated Absences	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
0.50% Increase in Discount Rate	45.34	38.43	22.69	20.78
0.50% Decrease in Discount Rate	48.61	41.19	24.28	22.22
0.50% Increase in Salary Growth Rate	48.69	41.27	24.31	22.25
0.50% Decrease in Salary Growth Rate	45.26	38.35	22.66	20.75
0.50% Increase in Attrition Rate	47.53	40.36	23.74	21.77
0.50% Decrease in Attrition Rate	46.28	39.13	23.17	21.18

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

49. Disclosure of Interest in Subsidiary

Name of the entity	Place of Business/Country of Incorporation	Principal activities of Business
Ramco Windfarms Limited	India	Generation of power through windmills

Particulars	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Ownership interest held by the Group	71.50%	71.50%	71.50%
Non-controlling Interest (NCI)	28.50%	28.50%	28.50%

Non-controlling interest (NCI)	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Accumulated balances of NCI	1.94	0.70	0.61
Profit allocated to NCI	1.24	0.09	-
Dividend paid to NCI	-	-	-



The summarised separate financial information of subsidiary is as below:

₹ In Crores

Balance sheet	As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
Non-current assets	48.43	50.53	30.09
Current assets	3.20	1.72	2.17
Total Assets	51.63	52.25	32.26
Non-current liabilities	39.37	44.54	24.88
Current liabilities	5.48	5.29	5.26
Total Liabilities	44.85	49.83	30.14
Total Equity	6.78	2.42	2.12

Particulars	31-03-2017	31-03-2016
Profit and Loss		
Revenue	17.81	8.55
Profit for the year	4.35	0.30
Other comprehensive income	-	-
Total comprehensive Income	4.35	0.30
Summarised Cash flow		
Cash flows from operating activities	11.95	4.65
Cash flows from investing activities	(0.48)	(21.99)
Cash flows from financing activities	(10.14)	16.68
Net Increase/(Decrease) in cash and cash equivalents	1.33	(0.66)

50. Disclosure of Interests in Associates under equity method

Name of the Associates	Location	Principal activities of Business
Material Associates		
Ramco Industries Limited (RIL)	India	Manufacturer of Building materials
Ramco Systems Limited (RSL)	India	Software development
Rajapalayam Mills Limited (RML)	India	Manufacturer of cotton yarn
Immaterial Associates		
Sri Vishnu Shankar Mill Limited (SVSML)	India	Manufacturer of cotton yarn
Madurai Trans Carrier Limited (MTCL)	India	Aircraft charter services
Lynks Logistics Limited (LLL)	India	Goods transport services

Name of the Associates	% of ownership interest		
	31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	15.43%	15.43%	15.43%
Ramco Systems Limited	17.82%	18.06%	22.21%
Rajapalayam Mills Limited	0.35%	0.35%	9.84%
Sri Vishnu Shankar Mill Limited	0.14%	0.14%	0.14%
Madurai Trans Carrier Limited	29.86%	29.86%	-
Lynks Logistics Limited	45.57%	19.00%	-

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Summarised financial information for Associates

The summarised consolidated financial statements of the material associates are as below:

₹ In Crores

Balance sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2017						
Ramco Industries Limited	471.75	2236.12	549.85	80.27	467.18	2710.27
Ramco Systems Limited	402.07	1.11	278.53	15.62	125.35	540.74
Rajapalayam Mills Limited	336.48	1292.80	210.31	107.09	244.26	1488.24
As at 31-03-2016						
Ramco Industries Limited	461.16	2103.43	490.53	141.97	394.14	2519.01
Ramco Systems Limited	352.75	0.96	306.42	19.46	125.49	515.18
Rajapalayam Mills Limited	346.55	1182.35	171.33	139.59	218.01	1342.63
As at 01-04-2015						
Ramco Industries Limited	453.33	1980.53	475.54	125.01	427.25	2357.14
Ramco Systems Limited	303.13	0.56	247.32	230.41	168.91	151.69
Rajapalayam Mills Limited	352.27	1104.83	164.61	140.07	235.33	1246.31

Note

The above financial information is adjusted to determine the share of interest in associates.

Profit and Loss	RIL		RSL		RML	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Total Revenue	965.10	973.44	459.32	443.40	414.57	399.55
Profit before tax	79.45	57.47	(30.60)	32.67	37.85	14.88
Tax expenses	24.14	(0.01)	(41.32)	8.90	2.50	5.89
Profit after tax	55.31	57.48	10.72	23.77	35.35	8.99
Share of profit in Associate	147.39	130.25	0.15	0.40	109.84	93.54
OCI	6.02	(5.50)	(0.55)	(0.45)	(0.12)	(1.28)
TCI	208.72	182.23	10.32	23.72	145.07	101.25

OCI: Other Comprehensive Income; TCI: Total Comprehensive Income.

Name of the material Associates	Fair value of investments (₹ In Crores)		
	31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	319.87	122.36	93.14
Ramco Systems Limited	208.21	383.85	349.15
Rajapalayam Mills Limited	2.17	0.88	21.44

Share of contingent liabilities in respect of associates

Name of the Associates	31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	5.40	9.79	7.49
Ramco Systems Limited	2.19	2.32	2.57
Rajapalayam Mills Limited	0.04	0.09	0.60



Reconciliation to the carrying amount of investment in associates

Particulars	RIL		RSL		RML	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Entity's TCI	208.72	182.23	10.32	23.72	145.07	101.25
Entity's Adjusted TCI	63.28	56.42	10.32	23.72	53.60	25.04
Effective shareholding %	15.46%	15.46%	17.82%	18.06%	0.61%	1.37%
Associates share of profit/OCI	9.79	8.71	1.84	4.28	0.34	0.34
Less: Unrealised profit on inter-company transactions (net of tax)	-	-	0.45	0.23	-	-
Amount recognised in P & L	9.79	8.71	1.39	4.05	0.34	0.34
Reconciliation						
Opening Carrying amount	57.93	20.53	105.66	90.68	0.72	8.12
Add: Fair value adjustment at the time of acquisition	-	29.75	-	10.70	-	8.57
Less: Carrying amount of investments sold	-	-	-	-	-	16.12
Add: Associates' share of Profit/OCI	9.79	8.71	1.84	4.28	0.34	0.34
Less: Dividend received	-	1.06	-	-	-	0.19
Net Carrying amount	67.72	57.93	107.50	105.66	1.06	0.72

Notes

- (1) Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealised profits.
- (2) Effective shareholding represents the aggregate of direct holding and indirect holding through fellow associates.

The Group's aggregate share of profit and other comprehensive income in its individually immaterial associates are furnished below:

₹ In Crores

Aggregate amounts of Group's share of :	31-03-2017	31-03-2016
Profit after tax	(0.93)	0.00
Other Comprehensive Income	(0.00)	0.00
Total Comprehensive Income	(0.93)	0.00

51. Earnings per Share

Particulars	31-03-2017	31-03-2016
Net profit after tax (A)	662.74	545.23
Weighted average number of Equity shares including un-allotted Bonus shares after deducting treasury shares (B) [In Crores]	23.06	23.06
Nominal value per equity share (in ₹)	1	1
Basic & Diluted Earnings per share (A)/(B) in ₹	29	24

Note

Treasury shares of 0.77 Crore shares (PY: 0.77 Crore shares) computed based on holdings through fellow associates.

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52. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2017:

(a) Associates

Name of the Company	Country of Incorporation	% of Shareholding as at		
		31-03-2017	31-03-2016	01-04-2015
Ramco Industries Limited	India	15.43	15.43	15.43
Ramco Systems Limited	India	17.82	18.06	22.21
Rajapalayam Mills Limited	India	0.35	0.35	9.84
Sri Vishnu Shankar Mill Limited	India	0.14	0.14	0.14
Madurai Trans Carrier Limited	India	29.86	29.86	-
Lynks Logistics Limited	India	45.57	19.00	-

(b) Key Management Personnel (Including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
P.R. Ramasubrahmaneya Rajha	Chairman and Managing Director
P.R. Venketrama Raja	Non-Executive Director
A.V. Dharmakrishnan	Chief Executive Officer
S. Vaithyanathan	Chief Financial Officer
K. Selvanayagam	Company Secretary
R.S. Agarwal	Independent Director
M.B.N. Rao	Independent Director
M.M. Venkatachalam	Independent Director
Smt. Justice Chitra Venkataraman (Retd.)	Independent Director

(c) Relative of Key Management Personnel

Name of the Relative of KMP	Relationship
A.V. Dharmakrishnan (HUF)	A. V. Dharmakrishnan, Karta for HUF
R. Nalina Ramalakshmi	Daughter of P.R. Ramasubrahmaneya Rajha
S. Sharada Deepa	Daughter of P.R. Ramasubrahmaneya Rajha
B. Sri Sandhya Raju	Daughter of P.R.Venketrama Raja
P.V. Abinav Ramasubramaniam Raja	Son of P.R. Venketrama Raja

(d) Companies over which KMP/Relatives of KMP exercise significant influence

Rajapalayam Textile Limited	Thanjavur Spinning Mill Limited
Sandhya Spinning Mill Limited	The Ramaraju Surgical Cotton Mills Limited
Sri Harini Textiles Limited	Shri Harini Media Limited
JKR Enterprise Limited	Ontime Industrial Services Limited
Ramco Management Private Limited	Sudharsanam Investments Limited



(e) **Employee Benefit Funds where control exists**

The Ramco Cements Limited Officers' Superannuation Fund
The Ramco Cements Limited Employees' Gratuity Fund

(f) **Other entities over which there is a significant influence**

Smt. Lingammal Ramaraju Shastra Prathishta Trust	Gowrishankar Screws
PACR Sethurammam Charity Trust	PACR Sethurammam Charities
Ramco Welfare Trust	PAC Ramasamy Raja Education Charity Trust
Raja Charity Trust	Rajapalayam Rotary Trust
Shri Abhinava Vidya Theertha Seva Trust	Nachiar Charity Trust
Gowrihouse Metal Works	PAC Ramasamy Raja Centenary Trust
R. Sudarsanam & Co.	The Ramco Cements Limited Educational and Charitable Trust

53. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. **Transactions during the year at Arm's length basis or its equivalent**

₹ In Crores

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
1	Sale of Goods – Cement		
	Associates		
	Ramco Industries Limited	12.46	4.37
	Rajapalayam Mills Limited	0.04	0.09
	Sri Vishnu Shankar Mill Limited	0.03	0.03
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	0.01	0.01
	Thanjavur Spinning Mill Limited	0.01	0.01
	Sri Harini Textiles Limited	0.00	0.00
	The Ramaraju Surgical Cotton Mills Limited	0.93	0.69
	JKR Enterprise Limited	0.14	0.83
	Other entities over which there is a significant influence		
	Gowrihouse Metal Works	0.00	-
	Total	13.62	6.03
2	Sale of Electrical Energy		
	Associates		
	Ramco Industries Limited	-	0.72
	Sri Vishnu Shankar Mill Limited	-	0.94
	Rajapalayam Mills Limited	-	2.39
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	0.70
	Sandhya Spinning Mill Limited	-	0.75
	Rajapalayam Textile Limited	-	0.64
	Total	-	6.14

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S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
3	Sale of Goods – Fly ash		
	Associates		
	Ramco Industries Limited	0.03	0.39
	Total	0.03	0.39
4	Sale of Goods – Dry Mortar Product		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	0.03	-
	Total	0.03	-
5	Sale of Goods - Clinker		
	Associates		
	Ramco Industries Limited (including VAT of ₹ 0.98 Crores)	17.33	-
	Total	17.33	-
6	Purchase of Goods – Cement		
	Associates		
	Ramco Industries Limited (including VAT of ₹ 4.38 Crores)	35.45	-
	Total	35.45	-
7	Purchase of Goods – Fibre Sheet and Silicate Boards		
	Associates		
	Ramco Industries Limited	0.33	0.26
	Total	0.33	0.26
8	Purchase of Goods – Diesel and Petrol		
	Other entities over which there is a significant influence		
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	0.22	0.20
	PACR Sethurammam Charity Trust	0.65	0.61
	Ramco Welfare Trust	0.35	0.27
	PACR Sethurammam Charities	0.24	0.15
	Total	1.46	1.23
9	Purchase of Goods – Magazine		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Shri Harini Media Limited	0.28	0.27
	Total	0.28	0.27
10	Purchase of Goods – Stores and Spares		
	Other entity over which there is a significant influence		
	Gowrishankar Screws	-	0.00
	R. Sudarsanam & Co.	0.02	-
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	0.00	0.00
	Total	0.02	0.00
11	Receiving of Services – Transportation		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Ontime Industrial Services Limited	38.15	69.86
	Total	38.15	69.86



S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
12	Receiving of Services – Manpower Supply		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Ontime Industrial Services Limited	9.25	7.33
	Total	9.25	7.33
13	Receiving of Services – Advertisement		
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Shri Harini Media Limited	0.05	0.05
	Total	0.05	0.05
14	Receiving of Services – Software Related Services		
	<i>Associates</i>		
	Ramco Systems Limited	21.11	15.46
	Total	21.11	15.46
15	Receiving of Services – Aircraft Charter Services		
	<i>Associates</i>		
	Madurai Trans Carrier Limited	7.04	1.74
	Total	7.04	1.74
16	Usage charges received for Power Consumed by virtue of Joint Ownership of Shares with APGPCL		
	<i>Associates</i>		
	Rajapalayam Mills Limited	0.02	0.02
	Sri Vishnu Shankar Mill Limited	0.02	0.02
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Sandhya Spinning Mill Limited	0.02	0.02
	Sri Harini Textiles Limited	0.02	0.02
	The Ramaraju Surgical Cotton Mills Limited	0.02	0.02
	Total	0.10	0.10
17	Leasing Arrangements – Rent Received		
	<i>Subsidiary</i>		
	Ramco Systems Limited	8.15	8.08
	Lynks Logistics Limited	0.09	0.00
	<i>Companies over which KMP/Relatives of KMP exercise significant influence</i>		
	Ontime Industrial Services Limited	0.00	0.00
	<i>Other entity over which there is a significant influence</i>		
	Raja Charity Trust	0.39	0.28
	Total	8.63	8.36
18	Leasing Arrangements – Rent Paid		
	<i>Associates</i>		
	Ramco Industries Limited	0.00	-
	<i>Relative of Key Management Personnel</i>		
	A.V. Dharmakrishnan (HUF)	0.05	0.07
	<i>Other entity over which there is a significant influence</i>		
	Raja Charity Trust	0.00	0.00
	Total	0.05	0.07

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S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
19	Dividend received		
	Associates		
	Ramco Industries Limited	-	1.07
	Rajapalayam Mills Limited	-	0.19
	Total	-	1.26
20	Dividend Paid		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	-	1.70
	P.R. Venketrama Raja	-	0.45
	A.V. Dharmakrishnan	-	0.02
	S. Vaithiyathan	-	0.00
	Associates		
	Ramco Industries Limited	-	22.19
	Rajapalayam Mills Limited	-	14.81
	Sri Vishnu Shankar Mill Limited	-	1.75
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	1.63
	Sudharsanam Investments Limited	-	1.34
	Ramco Management Private Limited	-	0.21
	Total	-	44.10
21	Remuneration to Key Management Personnel (Other than Sitting Fees)		
	P.R. Ramasubrahmaneya Rajha, Chairman & Managing Director	44.42	36.08
	A.V. Dharmakrishnan, Chief Executive Officer	10.98	9.36
	S. Vaithiyathan, Chief Financial Officer	0.89	0.75
	K. Selvanayagam, Company Secretary	0.81	0.71
	Total	57.10	46.90
22	Directors' Sitting Fees		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha	0.02	0.02
	P.R. Venketrama Raja	0.05	0.05
	R.S. Agarwal	0.05	0.05
	M.B.N. Rao	0.04	0.03
	M.M. Venkatachalam	0.04	0.04
	Smt. Justice Chitra Venkataraman (Retd.)	0.02	0.02
	Total	0.22	0.21
23	Shared Office Space - Interior		
	Associates		
	Ramco Industries Limited	-	0.38
	Total	-	0.38



S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
24	Sale of Fixed Assets		
	Associates		
	Madurai Trans Carrier Limited	-	0.03
	Sri Vishnu Shankar Mill Limited	0.33	-
	Companies over which KMP/Relatives of KMP exercise significant influence		
	The Ramaraju Surgical Cotton Mills Limited	-	0.33
	Other entity over which there is a significant influence		
	PACR Sethurammam Charity Trust	-	0.02
	The Ramco Cements Limited Educational and Charitable Trust	0.24	-
	Total	0.57	0.38
25	Purchase of Fixed Assets		
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Thanjavur Spinning Mill Limited	-	21.00
	Total	-	21.00
26	Interest Received		
	Key Management Personnel		
	P.R. Ramasubrahmaneya Rajha - Interest Rate - 7.50% (PY: 8%)	0.76	0.15
	Total	0.76	0.15
27	CSR/Donations given		
	Other entities over which there is a significant influence		
	PACR Sethurammam Charity Trust	0.03	-
	Shri Abhinava Vidya Theertha Seva Trust	-	0.12
	Nachiar Charity Trust	-	0.04
	Total	0.03	0.16
28	Contribution to Superannuation Fund/Gratuity Fund		
	Employee Benefit Funds where Control Exists		
	The Ramco Cements Limited Officers' Superannuation Fund	6.24	5.26
	The Ramco Cements Limited Employees' Gratuity Fund	5.76	4.86
	Total	12.00	10.12
29	Investment in Equity Shares during the year		
	Associates		
	Madurai Trans Carrier Limited	-	5.38
	Lynks Logistics Limited	3.00	0.19
	Total	3.00	5.57
30	Sale of Investments during the year		
	Key Management Personnel		
	P.R. Venketrama Raja	-	25.35
	Total	-	25.35

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S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
31	Sale of Electrical Energy from windmills		
	Associates		
	Ramco Industries Limited	1.53	0.97
	Sri Vishnu Shankar Mill Limited	2.70	1.72
	Companies over which KMP/Relatives of KMP exercise significant influence		
	Thanjavur spinning mills limited	5.41	0.75
	The Ramaraju Surgical Cotton Mills Limited	3.29	2.09
	Sandhya Spinning Mill Limited	1.41	0.90
	Rajapalayam Textile Limited	3.29	2.09
	Total	17.63	8.52

b. Transactions during the year not on Arm's length basis

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2017	31-03-2016
1	Sale of Goods – Cement		
	Other entities over which there is a significant influence		
	Raja Charity Trust	0.04	0.02
	PAC Ramasamy Raja Education Charity Trust	0.05	0.07
	Rajapalayam Rotary Trust	0.00	0.09
	PACR Sethurammam Charities	0.03	0.06
	PAC Ramasamy Raja Centenary Trust	0.02	-
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	-	0.04
	Total	0.14	0.28

c. Outstanding balances including commitments

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
1	Trade Receivables			
	Associates			
	Ramco Industries Limited	0.04	0.32	0.02
	Companies over which KMP/Relatives of KMP exercise significant influence			
	The Ramaraju Surgical Cotton Mills Limited	-	-	0.00
	JKR Enterprise Limited	-	-	0.21
	Other entities over which there is a significant influence			
	PACR Sethurammam Charities	0.00	0.01	-
	Raja Charity Trust	-	-	0.02
	Total	0.04	0.33	0.25



S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
2	Payables			
	Associates			
	Ramco Systems Limited			
	- Trade payables	0.02	1.41	-
	- Other current Liabilities	-	-	0.22
	Total	0.02	1.41	0.22
3	Loans and Advances			
	Associates			
	Ramco Industries Limited	0.00	-	-
	Madurai Trans Carrier Limited	10.24	4.72	3.04
	Companies over which KMP/Relatives of KMP exercise significant influence			
	Ontime Industrial Services Limited	5.24	4.52	1.17
	Other entities over which there is a significant influence			
	Smt. Lingammal Ramaraju Shastra Prathishta Trust	0.82	0.63	0.72
	PACR Sethurammam Charity Trust	-	0.67	0.50
	Ramco Welfare Trust	1.27	1.09	1.08
	The Ramco Cements Limited Educational and Charitable Trust	-	-	1.06
	Raja Charity Trust	-	-	0.14
	Total	17.57	11.63	7.71
4	Borrowings			
	Key Management Personnel			
	P.R. Ramasubrahmaneya Rajha	17.35	4.81	0.33
	Total	17.35	4.81	0.33
5	Security Deposits received by virtue of Joint Ownership of shares with APGPCL			
	Associates			
	Rajapalayam Mills Limited	0.13	0.13	0.13
	Sri Vishnu Shankar Mill Limited	0.12	0.12	0.12
	Companies over which KMP/Relatives of KMP exercise significant influence			
	Sandhya Spinning Mill Limited	0.12	0.12	0.12
	Sri Harini Textiles Limited	0.12	0.12	0.12
	The Ramaraju Surgical Cotton Mills Limited	0.11	0.11	0.11
	Total	0.60	0.60	0.60

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S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2017	31-03-2016	01-04-2015
6	Security Deposit received towards lease arrangement			
	Associates			
	Lynks Logistics Limited	0.01	-	-
	Total	0.01	-	-
7	Corporate Guarantees given to lenders of Related parties			
	Associates			
	Ramco Systems Limited	-	-	250.00
	Companies over which KMP/Relatives of KMP exercise significant influence			
	Thanjavur Spinning Mill Limited	12.50	68.00	68.00
	Sandhya Spinning Mill Limited	-	34.38	34.38
	Other entity over which there is a significant influence			
	Raja Charity Trust	100.00	100.00	100.00
	Total	112.50	202.38	452.38

Note

The above outstanding balances at the respective reporting dates are unsecured and settlement occurs in cash or through provision of goods/services, in case of unadjusted advances.

Disclosure of Key Management Personnel compensation in total and for each of the following categories: ₹ in Crores

Particulars	31-03-2017	31-03-2016
Short – Term Benefits (1)	56.78	46.62
Defined Contribution Plan (2)	0.39	0.35
Defined Benefit Plan/Other Long-term benefits (3)	-	-
Total	57.17	46.97

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

54 Disclosure of Fair value measurements

The fair values of financial assets and liabilities are determined 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. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.



Financial Instruments by category

₹ in Crores

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2017					
Financial Assets					
Other Investments	-	0.45	26.08	26.53	26.53
Loans and Advances	42.22	-	-	42.22	42.22
Trade Receivables	554.90	-	-	554.90	554.90
Cash and Bank Balances	119.77	-	-	119.77	119.77
Other Financial Assets	41.20	-	-	41.20	41.20
Financial Liabilities					
Borrowings	1,437.16	-	-	1,437.16	1,437.16
Trade Payables	256.22	-	-	256.22	256.22
Other Financial Liabilities	710.68	0.06	-	710.74	710.74
As at 31-03-2016					
Financial Assets					
Other Investments	-	0.37	24.99	25.36	25.36
Loans and Advances	34.47	-	-	34.47	34.47
Trade Receivables	472.12	-	-	472.12	472.12
Cash and Bank Balances	91.13	-	-	91.13	91.13
Other Financial Assets	41.30	-	-	41.30	41.30
Financial Liabilities					
Borrowings	2,140.35	-	-	2,140.35	2,140.35
Trade Payables	214.80	-	-	214.80	214.80
Other Financial Liabilities	627.07	0.46	-	627.53	627.53
As at 01-04-2015					
Financial Assets					
Other Investments	-	0.37	25.17	25.54	25.54
Loans and Advances	33.00	-	-	33.00	33.00
Trade Receivables	382.28	-	-	382.28	382.28
Cash and Bank Balances	88.72	-	-	88.72	88.72
Other Financial Assets	135.00	-	-	135.00	135.00
Financial Liabilities					
Borrowings	2,679.42	-	-	2,679.42	2,679.42
Trade Payables	233.74	-	-	233.74	233.74
Other Financial Liabilities	486.15	1.17	-	487.32	487.32

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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The details of financial instruments that are measured at fair value on recurring basis are given below:

₹ In Crores

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2017	3.96	-	-	3.96
As at 31-03-2016	2.87	-	-	2.87
As at 01-04-2015	3.05	-	-	3.05
Investment in unlisted securities				
As at 31-03-2017	-	-	22.12	22.12
As at 31-03-2016	-	-	22.12	22.12
As at 01-04-2015	-	-	22.12	22.12
Financial Instruments at FVTPL				
Investment in mutual funds				
As at 31-03-2017	0.45	-	-	0.45
As at 31-03-2016	0.37	-	-	0.37
As at 01-04-2015	0.37	-	-	0.37
Foreign exchange forward contracts				
As at 31-03-2017	-	0.06	-	0.06
As at 31-03-2016	-	0.46	-	0.46
As at 01-04-2015	-	1.17	-	1.17

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities/ Mutual Funds	Market Value	Closing Price as at 31 st March in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets plus Cost Savings in operations of business based on Discounted cash flow method
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker

55. Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.



The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company maintains adequate security deposits from its customers in case of wholesale and retail segment. In case of institutional segment, credit risks are mitigated by way of enforceable securities. The exposures with the Government are generally unsecured but they are considered as good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis. Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

₹ In Crores

As at 31-03-2017	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	367.10	56.01	10.87	130.84	564.82
Expected Loss Rate	0.05%	0.50%	2.75%	7.00%	1.76%
Expected Credit Losses	0.18	0.28	0.30	9.16	9.92
Carrying amount of trade receivables net of impairment	366.92	55.73	10.57	121.68	554.90

₹ In Crores

As at 31-03-2016	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	330.30	45.61	9.41	97.05	482.37
Expected Loss Rate	0.05%	0.54%	3.50%	9.80%	2.12%
Expected Credit Losses	0.17	0.25	0.33	9.50	10.25
Carrying amount of trade receivables net of impairment	330.13	45.36	9.08	87.55	472.12

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₹ In Crores

As at 01-04-2015	Not Due	Less than 90 days	90 to 180 days	More than 180 days	Total
Gross carrying amount	318.86	35.23	5.46	32.98	392.53
Expected Loss Rate	0.05%	0.65%	4.20%	29.20%	2.61%
Expected Credit Losses	0.16	0.23	0.23	9.63	10.25
Carrying amount of trade receivables net of impairment	318.70	35.00	5.23	23.35	382.28

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

₹ In Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Expiring within one year			
Bank Overdraft and other facilities	405.14	351.84	439.37
Term Loans	-	-	150.00
Expiring beyond year			
Term Loans	-	-	-

Maturities of Financial Liabilities

₹ In Crores

Nature of Financial Liability	< 1 Year	1 – 5 Years	>5 years	Total
As at 31-03-2017				
Borrowings from Banks/Debentures	872.78	74.10	-	946.88
Soft Loan from Government	-	-	139.37	139.37
Deferred Sales Tax Liability	53.41	232.65	81.40	367.46
Trade payables	256.22	-	-	256.22
Security Deposits payable	619.09	-	-	619.09
Other Financial Liabilities	91.65	-	-	91.65
As at 31-03-2016				
Borrowings from Banks/Debentures	1,038.72	579.82	-	1,618.54
Soft Loan from Government	-	-	129.37	129.37
Deferred Sales Tax Liability	42.17	280.39	81.40	403.96
Trade payables	214.80	-	-	214.80
Security Deposits payable	508.23	-	-	508.23
Other Financial Liabilities	119.30	-	-	119.30



Nature of Financial Liability	< 1 Year	1 – 5 Years	>5 years	Total
As at 01-04-2015				
Borrowings from Banks/Debentures	914.46	1,217.83	-	2,132.29
Soft Loan from Government	-	-	110.77	110.77
Deferred Sales Tax Liability	38.97	317.34	81.40	437.71
Trade payables	233.74	-	-	233.74
Security Deposits payable	368.97	-	-	368.97
Other Financial Liabilities	118.35	-	-	118.35

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of capital goods, spares and fuel, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company's exposure to foreign currency risk (un-hedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks	Foreign Currency Loan
USD in Millions				
As at 31-03-2017	3.77	1.53	-	-
As at 31-03-2016	0.01	2.13	-	-
As at 01-04-2015	15.61	4.31	0.36	1.36
JPY in Millions				
As at 31-03-2017	1.76	-	-	-
As at 31-03-2016	6.01	-	-	-
As at 01-04-2015	-	-	-	-
LKR in Millions				
As at 31-03-2017	30.67	43.18	1.59	-
As at 31-03-2016	-	0.30	-	-
As at 01-04-2015	-	0.30	-	-

Risk sensitivity on foreign currency fluctuation

₹ In Crores

Foreign Currency	31-03-2017		31-03-2016	
	1 % Increase	1% decrease	1% increase	1% decrease
USD	(-) 0.15	0.15	0.14	(-) 0.14
JPY	(-) 0.10	0.10	(-) 0.35	0.35
LKR	0.03	(-) 0.03	-	-

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in

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market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure

Particulars	31-03-2017	31-03-2016	01-04-2015
Variable rate borrowings	112.37	387.92	1,632.06
Fixed rate borrowings	973.88	1,359.99	611.07
Interest free borrowings	367.46	403.96	437.71

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

₹ in Crores

Total Interest Cost works out to	31-03-2017	31-03-2016
1% Increase in Interest Rate	106.85	192.84
1% Decrease in Interest Rate	102.90	171.42

56. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt.

₹ in Crores

Particulars	31-03-2017	31-03-2016	01-04-2015
Long Term Borrowings	511.04	1,059.46	1,725.91
Current maturities of Long term borrowings	291.61	450.27	453.21
Short Term Borrowings	634.51	630.62	500.30
Less: Cash and Cash Equivalents	83.34	84.08	57.85
Net Debt (A)	1,353.82	2,056.27	2,621.57
Equity Share Capital	23.81	23.81	23.81
Other Equity	3,771.65	3,109.33	2,696.17
Total Equity (B)	3,795.46	3,133.14	2,719.88
Total Capital Employed (C) = (A) + (B)	5,149.28	5,189.41	5,341.45
Capital Gearing Ratio (A)/(C)	26%	40%	49%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2017 and 31-03-2016.



57. Disclosures as required by Ind AS 101 First time adoption of Indian Accounting Standards

Reconciliation of Consolidated Balance Sheet as at 01-04-2015

₹ In Crores

Particulars	Previous GAAP	Transition Adjustments	Ind AS
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4,873.54	85.43	4,868.97
Capital Work in Progress	257.58	-	257.58
Investment Property	-	127.30	127.30
Intangible Assets	98.92	-	98.92
Intangible Assets under Development	5.14	-	5.14
Investment in Associates (Ref Note A below)	119.35	49.01	168.36
Financial Assets			
Other Investments	238.38	(212.84)	25.54
Loans and Advances	137.38	(124.03)	13.35
Other Financial Assets	16.62	-	16.62
Other Non-Current Assets	72.96	10.08	83.04
	5,729.87	(65.05)	5,664.82
Current Assets			
Inventories	521.65	-	521.65
Financial Assets			
Loans and Advances	20.30	(0.65)	19.65
Trade Receivables	382.28	-	382.28
Cash and Cash Equivalents	57.85	-	57.85
Bank Balances other than Cash & Cash Equivalents	30.87	-	30.87
Other Financial Assets	118.38	-	118.38
Other Current Assets	144.55	(0.21)	144.34
	1,275.88	(0.86)	1,275.02
Total Assets	7,005.75	(65.91)	6,939.84
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	23.81	-	23.81
Other Equity	2,601.81	94.36	2,696.17
Equity attributable to Equity Share holders (Ref Note C below)	2,625.62	94.36	2,719.98
Non-Controlling Interest	0.61	-	0.61
Total Equity	2,626.23	94.36	2,720.59
Non-Current Liabilities			
Financial Liabilities			
Borrowings	1,727.34	(1.43)	1,725.91
Other Financial Liabilities	368.97	(368.97)	-
Deferred Tax Liabilities (net)	827.61	(123.80)	703.81
	2,923.92	(494.20)	2,429.72
Current Liabilities			
Financial Liabilities			
Borrowings	553.61	(53.31)	500.30
Trade Payables	233.74	-	233.74
Other Financial Liabilities	510.27	430.26	940.53
Provisions	87.41	(43.02)	44.39
Liabilities for Current tax	6.23	-	6.23
Other Current Liabilities	64.34	-	64.34
	1,455.60	333.93	1,789.53
Total Equity and Liabilities	7,005.75	(65.91)	6,939.84

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

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Reconciliation of Consolidated Balance Sheet as at 31-03-2016

₹ In Crores

Particulars	Previous GAAP	Transition Adjustments	Ind AS
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4,852.80	94.21	4,947.01
Capital Work in Progress	138.31	-	138.31
Investment Property	-	131.47	131.47
Intangible Assets	79.52	(0.28)	79.24
Intangible Assets under Development	8.53	-	8.53
Investments in Associates (Ref Note A below)	119.35	50.54	169.89
Financial Assets			
Other Investments	247.92	(222.56)	25.36
Loans and Advances	157.30	(143.81)	13.49
Other Financial Assets	11.72	-	11.72
Other Non-Current Assets	74.72	10.37	85.09
	5,690.17	(80.06)	5,610.11
Current Assets			
Inventories	550.17	-	550.17
Financial Assets			
Loans and Advances	21.19	(0.21)	20.98
Trade Receivables	472.12	-	472.12
Cash and Cash Equivalents	84.08	-	84.08
Bank Balances other than Cash & Cash Equivalents	7.05	-	7.05
Other Financial Assets	29.58	-	29.58
Other Current Assets	170.02	0.18	170.20
	1,334.21	(0.03)	1,334.18
Total Assets	7,024.38	(80.09)	6,944.29
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	23.81	-	23.81
Other Equity	3,049.46	59.87	3,109.33
Equity attributable to Equity Share holders (Ref Note C below)	3,073.27	59.87	3,133.14
Non-controlling Interest	0.70	-	0.70
Total Equity	3,073.97	59.87	3,133.84
Non-Current Liabilities			
Financial Liabilities			
Borrowings	1,070.97	(11.51)	1,059.46
Other Financial Liabilities	508.23	(508.23)	-
Provisions	17.21	(15.57)	1.64
Deferred Government Grants	-	7.71	7.71
Deferred Tax Liabilities (net)	852.31	(143.92)	708.39
	2,448.72	(671.52)	1,777.20
Current Liabilities			
Financial Liabilities			
Borrowings	701.66	(71.04)	630.62
Trade Payables	214.80	-	214.80
Other Financial Liabilities	491.50	586.30	1,077.80
Provisions	21.00	15.72	36.72
Deferred Government Grants	-	0.58	0.58
Liabilities for Current tax	5.56	-	5.56
Other Current Liabilities	67.17	-	67.17
	1,501.69	531.56	2,033.25
Total Equity and Liabilities	7,024.38	(80.09)	6,944.29

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.



Reconciliation of Consolidated Statement of Profit and Loss for the year ended 31-03-2016

₹ In Crores

Particulars	Previous GAAP	Transition Adjustments	Ind AS
REVENUE			
Revenue from operations	3605.07	534.34	4139.41
Other Income	80.59	(5.12)	75.47
Total Revenue	3,685.66	529.22	4,214.88
EXPENSES			
Cost of Materials Consumed	578.88	-	578.88
Changes in Inventories of Finished Goods and WIP	9.94	-	9.94
Excise Duty on Sale of Goods	-	557.65	557.65
Employee Benefits Expense	259.92	(0.52)	259.40
Finance Costs	182.13	1.63	183.76
Depreciation and Amortization Expense	268.56	36.70	305.26
Other Expenses	1,682.75	(25.68)	1,657.07
Total Expenses	2,982.18	569.78	3,551.96
Profit Before Tax	703.48	(40.56)	662.92
Tax Expenses			
Current Tax	149.84	-	149.84
Excess tax provision related to earlier written back	(23.84)	-	(23.84)
Net Current tax expenses	126.00	-	126.00
Deferred Tax	38.27	(13.26)	25.01
MAT Credit Recognition for current year	(19.35)	-	(19.35)
Net Deferred tax expenses	18.92	(13.26)	5.66
Total Tax Expenses	144.92	(13.26)	131.66
Profit for the year before share of profit of Associates	558.56	(27.30)	531.26
Add : Share of Profit of Associates (Ref Note A below)	-	14.06	14.06
Profit for the year	558.56	(13.24)	545.32
Profit for the year attributable to:			
Equity shareholders of the Parent (Ref Note B below)	558.47	(13.24)	545.23
Non-controlling Interest	0.09	-	0.09
	558.56	(13.24)	545.32
OTHER COMPREHENSIVE INCOME			
Remeasurements losses on defined benefit obligations	-	(2.84)	(2.84)
Tax effect on the above	-	0.98	0.98
Equity Instruments recognized through OCI	-	(0.18)	(0.18)
Share of OCI of Associates net of tax (Ref Note A below)	-	(0.96)	(0.96)
Total Other Comprehensive Income for the year	-	(3.00)	(3.00)
Other Comprehensive Income attributable to:			
Equity shareholders of the Parent	-	(3.00)	(3.00)
Non-controlling Interest	-	-	-
	-	(3.00)	(3.00)
Total Comprehensive Income	558.56	(16.24)	542.32
Total Comprehensive Income attributable to:			
Equity shareholders of the Parent	558.47	(16.24)	542.23
Non-controlling Interest	0.09	-	0.09
	558.56	(16.24)	542.32

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

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Explanatory Notes on preparation and presentation of Consolidated Financial Statements upon transition to Ind AS

In preparing these financial statements, the Company's Opening Balance Sheet was prepared as at 01-04-2015, which is the Company's date of transition to Ind AS. The explanatory notes on preparation and presentation of financial statements upon transition to Ind AS is presented in Note No. 57 of separate financial statements. Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by the Ministry of Corporate Affairs that the disclosures made already under the separate financial statements are not repeated and thus the disclosures that are relevant arising out of consolidation have only been presented. Accordingly, the following explanatory notes are presented explaining the nature of adjustments which are relevant only for consolidation upon transition to Ind AS, read with Note No.3 in restating its previous GAAP Financial Statements including its Balance Sheet as at 01-04-2015 and the financial statements as at and for the year ended 31-03-2016.

A. Investments in Associates

Under previous GAAP, the Company considers the investments as associates only if the voting right exceeds 20%. However, under Ind AS, based on the significant influence exercised by the company, the company is required to consider investments in group companies as Associates even though, it holds less than 20% of shares. Accordingly, the company applies equity method of accounting as prescribed under Ind AS 28, thereby eliminating the unrealized profits on inter-company transactions. The disclosures required under Ind AS 112 are furnished in Note 50.

B. Reconciliation of total comprehensive income for the year ended 31-03-2016

₹ in Crores

Particulars	31-03-2016
Profit after tax attributable to equity shareholders as per previous GAAP	558.47
Add: Adjustments on account of transition to Ind AS – Credit	
Fair value recognition and measurement of Government Loan	2.81
Fair value recognition and measurement of Financial Guarantees	1.70
Impact of measurement of Forward contracts on MTM	0.08
Actuarial loss reclassified to OCI	2.84
Fair value gain/reversal of provision of diminution in investments at FVTOCI	0.03
Recognition of share of profits from Associates	14.06
Depreciation reversal on elimination of unrealized profit on assets	1.05
Deferred tax credit on Ind AS Adjustments	13.26
Less: Adjustments on account of transition to Ind AS – Debit	
Depreciation adjusted in Retained Earnings reversed, recognized in P & L	37.89
Impact of transaction cost computed using EIR	1.02
Unwinding of discount on provision for mines restoration obligation	0.15
Fair value of mutual funds measured at FVTPL	0.03
Fair value recognition and measurement of loans and advances	0.45
Dividends from Associates adjusted against investments	1.26
Remeasurements of profit on sale of investments in associates	8.27
Profit after tax as per Ind AS	545.23
Add: Other Comprehensive Income	
Remeasurements of defined benefit obligations	(2.84)
Recognition of share of OCI from Associates	(0.96)
Deferred tax credit on Ind AS adjustments	0.98
Fair value of equity instruments designated at FVTOCI	(0.18)
Total Comprehensive Income	542.23



C. Reconciliation of Total Equity as at 31-03-2016 and 01-04-2015

₹ in Crores

Particulars	31-03-2016	01-04-2015
Equity attributable to Shareholders of Parent as per previous GAAP	3,073.27	2,625.62
Ind AS adjustments up to 01-04-2015	94.36	-
Depreciation adjusted in Retained Earnings reversed (net of deferred tax)	24.77	-
Fair value recognition and measurement of Government Loan	2.81	-
Fair value recognition and measurement of Financial Guarantees	1.70	(8.88)
Impact of measurement of Forward contracts on MTM	0.08	(0.10)
Fair value gain/reversal of provision of diminution in investments at FVTOCI	(0.15)	2.60
Fair value of mutual funds measured at FVTPL	(0.03)	0.17
Dividend and its tax accounted upon approval by shareholders	(43.02)	43.02
Impact of transaction cost computed using EIR	(1.02)	1.43
Depreciation adjusted in Retained Earnings reversed, recognized in P & L	(37.89)	-
Unwinding of discount on provision for mines restoration obligation	(0.15)	-
Fair Value recognition and measurement of loans and advances	(0.45)	(1.59)
Depreciation reversal on elimination of unrealized profit on assets	1.05	1.00
Dividends from Associates adjusted against investments	(1.26)	-
Fair value adjustments on investments in associates on transition to Ind AS	-	49.01
Remeasurements of profit on sale of investments in associates	(8.27)	-
Recognition of share of profits/OCI from Associates	13.10	-
Deferred Tax Credit on Ind AS adjustments	14.24	7.70
Total Ind AS Adjustments	59.87	94.36
Equity attributable to Shareholders of Parent as per Ind AS	3,133.14	2,719.98

D. Reconciliation of Statement of Cash flows for the year ended 31-03-2016

₹ in Crores

Particulars	Previous GAAP	Transition Adjustments	Ind AS
Cash flow from operating activities	1,088.78	-	1,088.78
Cash flow from investing activities	(260.59)	-	(260.59)
Cash flow from financing activities	(825.78)	(123.94)	(949.72)
Increase/(decrease) in cash and cash equivalents	2.41	(123.94)	(121.53)
Cash and cash equivalents as at 01-04-2015 (Note E)	88.72	(151.37)	(62.65)
Cash and cash equivalents as at 31-03-2016 (Note E)	91.13	(275.31)	(184.18)

E. Changes in Cash and Cash equivalents for the purpose of cash flows under Ind AS

₹ in Crores

Particulars	31-03-2016	01-04-2015
Cash and Cash equivalents as per previous GAAP	91.13	88.72
Less: Cash Credit	275.31	151.37
Cash and Cash equivalents for Statement of cash flow	(184.18)	(62.65)

Note

For the purpose of Statement of cash flows, cash and cash equivalents include cash and cash equivalents and Bank Balances other than cash and cash equivalents as presented in the Balance sheet.

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES FOR THE YEAR 2016-17

Name of the Entity	Net Assets i.e, total assets minus total liabilities		Share in Profit/Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	₹ In Crores	As % of Consolidated profit/loss	₹ In Crores	As % of Consolidated OCI	₹ In Crores	As % of Consolidated TCI	₹ In Crores
Parent								
The Ramco Cements Limited	94.98	3,606.70	97.80	648.18	295.24	(1.24)	97.67	646.94
Subsidiaries								
Indian								
Ramco Windfarms Limited	0.13	4.84	0.47	3.11	-	-	0.47	3.11
Minority Interest in Subsidiary	0.05	1.94	0.19	1.24	-	-	0.19	1.24
Associates								
(Investments as per the Equity Method)								
Indian								
Ramco Industries Limited	1.78	67.72	1.34	8.87	(219.05)	0.92	1.48	9.79
Ramco Systems Limited	2.83	107.50	0.29	1.94	23.81	(0.10)	0.28	1.84
Rajapalayam Mills Limited	0.03	1.06	0.05	0.33	-	-	0.05	0.33
Sri Vishnu Shankar Mill Limited	0.00	0.01	-	-	-	-	-	-
Madurai Trans Carrier Limited	0.14	5.37	(0.00)	(0.01)	-	-	-	(0.01)
Lynks Logistics Limited	0.06	2.26	(0.14)	(0.92)	-	-	(0.14)	(0.92)



BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of LODR]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L26941TN1957PLC003566			
2	Name of the Company	THE RAMCO CEMENTS LIMITED			
3	Registered address	“RAMAMANDIRAM”, RAJAPALAYAM – 626117			
4	Website	www.ramcocements.in			
5	E-mail id	ksn@ramcocements.co.in			
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)	Codes as per NIC – 2008			
		Group	Class	Sub class	Description
		239	2394	23941 23942	Manufacture of Clinker and Cement
		351	3510	35102	Electric power generation by coal based thermal power plants
				35106	Electric power generation using other non-conventional sources
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Cement (ii) Power			
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations : 1 (b) Number of National Locations : 5 Cement Plants 4 Grinding Units 1 Packing Plant 1 Ready Mix Concrete Unit 1 Dry Mortar Plant Wind farms at 7 locations Registered Office, Corporate Office and 45 Sales Offices			
10	Markets served by the Company	South and East India			

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital - ₹ In crores	23.81
2	Total Turnover - ₹ In crores	4,607.03
3	Total Comprehensive Income - ₹ In crores	648.05
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of Total Comprehensive Income (%)	The Company has spent ₹ 7.28 crores on CSR, which is 1.12% of Total Comprehensive Income for the year 2016-17.

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5	List of activities in which expenditure in 4 above has been incurred	The Company has done CSR activities in various spheres, out of which the following are the top 5 areas: a. Rural Development Projects b. Eradication of Hunger, Providing of Safe Drinking Water, Health Care, etc. c. Protection of National Heritage, Sites of Historical Importance, etc. d. Promotion of Education, Enhancing Vocational Skills, Livelihood Projects, etc. e. Promotion and Protection Art, Heritage and Culture
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SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	Yes. The Company has one Subsidiary. Name : Ramco Windfarms Limited
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Business Responsibility initiatives of the holding company are applicable to the Subsidiary Company as well.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company involves its Business Associates, such as Dealers, Logistics Partners, etc. in its Business Responsibility initiatives. However, their extent of participation in terms of percentage cannot be quantified.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

1	DIN Number	00331357
2	Name	Shri.P.R.Ramasubrahmaneya Rajha
3	Designation	Chairman & Managing Director

(b) Details of the BR head

1	DIN Number	00693181
2	Name	Shri.A.V.Dharmakrishnan
3	Designation	Chief Executive Officer
4	Telephone Number	044 – 2847 8666
5	E-Mail ID	brr@ramcocements.co.in

2. The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. They 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 well-being of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
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.

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for BR Principles?	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?	The policies conform to the guidelines/standards of Companies Act, 2013 and other statutory acts, regulations, notifications, etc. The policies/standards are at par with generally accepted practices for the respective principles.								
4	Has the policy been 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?	http://www.ramcocements.in/policies.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company's website contains the policies for information of all internal and external stakeholders. Further, relevant communication is provided to stakeholders through appropriate mediums, such as, Circulars, Notice Boards, Company's Magazine, etc.								
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 ISO Standards and other standards adopted by the Company are subject to routine monitoring/evaluation/review by their concerned external agencies on periodical basis. The implementation of the policies is subject to review by Internal Audit mechanisms.								

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

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-

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3. Governance related to BR

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

The CSR Committee consisting of 3 Directors is responsible to assess the Business Responsibility performance of the Company and to oversee the implementation of the various policies. It is reviewed on annual basis or as and when the need arises.

- (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 Business Responsibility Report is published in the Annual Report and also placed on the Company's website at www.ramcocements.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

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 policies viz. Code of Conduct for Board of Directors and Senior Management Personnel and Whistle Blower Policy lay down the rules and procedures by which any stakeholder can report the actual or suspected improper activities of any kind, fraud and violation of company's code of conduct. The whistle blower policy extends to individuals who are in full time or part time employment with the company or its subsidiaries including those serving as consultants and contract/third party employees.

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 complaint has been received under Whistle Blower Policy. During the year under review 6 complaints have been received from Shareholders relating to non-receipt of dividends/annual report. The complaints were promptly attended and redressed in time.

Principle 2

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

A. CEMENT

The Company's blended cements viz. Portland Pozzolana Cement and Portland Slag Cement utilises Fly Ash and Slag which are waste as well as hazardous materials. The Company uses waste tyre oil instead of diesel for kilns during start up. Utilisation of these materials in the company's manufacturing process protect environment.

B. POWER GENERATION

WIND ENERGY

The Company's investment in non-conventional renewable energy source, viz. wind energy is emission free and pollution free generation of power.

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

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

Resources	Units of Measurement	2016-2017	2015-2016
Fly Ash	% per ton of PPC	26.53	27.12
Slag	% per ton of PSC	63.28	48.97
Power	Kwh/Ton of Cement	75.15	81.5

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

The Company has no information regarding reduction of energy, water, etc. that has been achieved by the consumers during usage of Company's products.

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

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

Yes. The Company's cement manufacturing plants are situated close to limestone mines, thereby reducing the transportation impact of the limestone. The Company's cement grinding units are situated close to thermal power plants, thereby reducing the transportation impact of the fly ash. Bulk materials are transported through rail/sea instead of road. The mining deploys sustainable mining practices to enhance the life of the mines. However, the transportation and logistics optimisation is an ongoing activity to reduce the related environmental impacts.

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



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

The Company gives priority to procure goods and avail services from local and small vendors, located near to the manufacturing locations. We also provide them training to improve their capacity and capability. The Company ensures that its contractors who supply labour services for plant operations employ workmen from nearby communities. The Company also educates and trains the workforce in occupational health and safety.

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 Company's product is not meant for recycling as cement is used for construction of buildings, which are meant to last long. The product is also not recyclable after its usage. The Company's other product, viz. electrical energy is consumed immediately, which also does not provide scope for recycling. The Used Oil from the wind mills is being consumed in the cement manufacturing process, as a measure of recycling of hazardous waste. The domestic waste water generated at factory, colony, etc. is recycled through sewage treatment plant and is utilised in full.

Principle 3

1. Please indicate the Total number of employees. - 2883
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 2179.
3. Please indicate the Number of permanent women employees – 5.
4. Please indicate the Number of permanent employees with disabilities – 1.
5. Do you have an employee association that is recognized by management.

The plants at Ramasamy Raja Nagar, Jayanthipuram and Mathodu have employee unions recognized by the management.

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

Ramasamy Raja Nagar Plant – 81%
Jayanthipuram Plant – 95%
Mathodu Plant – 90%

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

No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	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?

(a)	Permanent Employees	82%
(b)	Permanent Women Employees	--
(c)	Casual/Temporary/Contractual Employees	100%
(d)	Employees with Disabilities	--

The Company emphasises on Safety practises across the units. The company had implemented Standard Safety Management System which provides guidelines to employees in their daily activities with the best Safety, Health and Environmental Standards. All new entrants (Permanent/Contract/etc.), we have been imparted with Safety Induction Training programme covering all the Safety aspects. The main objective of Safety Department of the Company is to establish health and safety culture across the plant through awareness training and promotional activities. It is mandatory to undergo Safety Training for all the employees.

An important part of the Company's mission is to invest in people development and growth as the Company believes that only people development is the foundation for strong and qualitative growth of the organization. Hence skill up-gradation training are being provided to all the employees based on their individual/departmental needs.

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes.

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

The Company's cement manufacturing plants/limestone mines are located in remote rural areas and localities around such places have been identified as disadvantaged, vulnerable & marginalized stakeholders.

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

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The Company's CSR programmes are mainly targeted in improving the socio, economic and infrastructure conditions of the localities around the manufacturing facilities. The Company also undertakes various measures to improve the quality of their life. These include, computer education training for village students, women empowerment, arrangements for safe drinking water, desilting of water bodies, construction of toilets, formation and enhancement of rural roads, conducting rural medical camps, eye camps, special medical camps for disabled children, green development, etc.

Principle 5

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's Code of Conduct and HR practices have been developed to respect and protect human rights. It extends only to the Company and its Subsidiary.

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

During the year under review, the Company did not receive any complaint in respect of violation of human rights.

Principle 6

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

The Policy on environment covers the Company and its Subsidiary.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc?

Yes. The Company strives to have minimal carbon foot print and to reduce its impact with regard to climate change, global warming, etc. The Company's Safety, Health and Environment Policy gives utmost importance to the environmental impact of the practices it follows and the product it creates. The weblink for the same is : <http://www.ramcocements.in/policies.aspx>

3. Does the company identify and assess potential environmental risks?

Yes. The Company has a mechanism in place to identify and assess potential environmental risk. The Company's Risk Management Policy covers Environmental Risk and the process for managing it.

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?

The Company's wind farm project has been registered with United Nations Framework Convention on Climate Change under Clean Development Mechanism. The Company is eligible for Certified Emission Reductions (CERs). The main purpose of the project activity is to generate clean electricity from renewable energy source (wind).

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 pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements. Some of the steps taken for conservation of energy, include,

Installation of Variable frequency drive (VFD) for process fans to reduce electrical energy. Installation of Slip Power Recovery System (SPRS) for process fans to reduce electrical energy. In-house modification of gas ducts in mill systems to reduce electrical energy.

Replacement of live steam with extraction steam for ejector operation in Thermal power plant to reduce thermal energy.

Installation of High efficiency leak proof dumping valve at Captive Thermal power plant to reduce thermal energy.

Installation of LED lights replacing high wattage HPSV (High Pressure Sodium Vapour) lights.

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 prescribed by CPCB/SPCB.

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

None.

Principle 7

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:

- a. Cement Manufacturers Association
- b. Bureau of Energy Efficiency
- c. Confederation of Indian Industry
- d. National Council for Cement & Building Materials
- e. Federation of Indian Chambers of Commerce and Industry



- f. Rajapalayam Chamber of Commerce
 - g. Indian Wind Power Association
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
- Yes. Following are the broad areas.
- a. Composite Cement
 - b. Recommendation for increased use of fly ash in cement industry
 - c. Promotion of Concrete Roads
 - d. Promotion of Clean Energy

Principle 8

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

Yes. The Company believes that as the Organisation grows, the society and the community around it should also grow. For this, the company undertakes various initiatives/projects in and around the places where its manufacturing facilities are located. These include,

Rural Industry and Skill Development

Conducted Skill trainings for youth

Employed youth through job placement

Health

Conducted health check-up camps

Eye camps

Treating poor patients through Special Health camps

Education

Provided basic computer training to students

Providing assistance to poor students

Infrastructure Development

Constructed low cost houses, toilets, village road, community halls, etc.

Established drinking water facilities in villages.

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

The Company's CSR initiatives are implemented both by internal teams as well as through/coordination with external

agencies, like NGOs, Government Institutions, Academic Organisations, etc.

3. Have you done any impact assessment of your initiative?
- The Company does the impact assessment of its CSR initiatives through qualitative feedbacks, received from beneficiaries of the activities undertaken. Based upon such reviews, the initiatives are structured.

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

During the year ended 31st March 2017, the Company has spent ₹ 7.28 crores towards Health, Education, Infrastructure Development and other various community development projects, towards its CSR commitment. The details are available in Board's Report. The company had also spent a sum of ₹ 0.44 crores on other social causes and projects, which do not qualify under the classifications listed out in Schedule VII of the Companies Act, 2013.

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

The CSR initiatives are carried out on a need based approach. The Company adopts participatory approach with communities/beneficiaries. With regard to project development and major asset creations, Company participates in mutual beneficiary contribution. These strategies ensure that the relevant beneficiaries successfully adopt and maintain them.

Principle 9

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

There were 475 customer complaints, out of which two were pending (< 1%) at the end of the financial year.

Two consumer appeals were pending against the Company at the end of the financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Yes. The Company displays information as mandated by the local laws on the product label. No other additional information is provided.

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 RAMCO CEMENTS LIMITED

COMPLAINT BY BUILDERS ASSOCIATION OF INDIA

Based on a complaint filed by Builders Association of India in 2006, Competition Commission of India (CCI) vide its order dated 20-06-2012, had held that leading cement companies, including The Ramco Cements Limited and Cement Manufacturers Association (CMA) had contravened the provisions of Section 3(1) read with Sections 3(3)(a) and 3(3)(b) of the Competition Act, 2002 and imposed penalties of which the penalty for The Ramco Cements Limited was ₹ 258.63 crores. The cement companies appealed to Competition Appellate Tribunal (COMPAT) against the order of CCI. COMPAT referred back the matter to CCI for fresh adjudication. CCI held the cement companies liable for cartelisation vide its order dated 31-08-2016, which was in substantial part, a reiteration of its earlier order dated 20-06-2012.

The Company filed an appeal against the order of CCI before the Competition Appellate Tribunal (COMPAT), New Delhi and obtained an interim order on 28-11-2016, wherein the Company had been directed to deposit 10% of the penalty amount in the Registry of COMPAT in the form of Fixed Deposit within 60 days thereof. Accordingly, the amount of ₹ 25.86 crores has been so deposited on 30-11-2016.

The Company filed a civil appeal before the Honourable Supreme Court of India and obtained stay of the proceedings before COMPAT. In the meanwhile, Government of India had abolished COMPAT and transferred all pending cases to National Company Law Tribunal, New Delhi.

COMPLAINTS BY THREE CEMENT DEALERS

In Kerala, the Company had stopped supply of cement to three dealers for business reasons, but they have made a complaint to the Competition Commission of India, (CCI) alleging that there is a cartel between the Company and Kerala Cement Dealer Association (KCDA) and their supply have been stopped on the instructions of KCDA. The Director General (DG) of CCI had investigated the complaints and concluded that the stoppages of supply of cement did not breach the provisions of the Competition Act but because of business reasons. However, the dealers have requested CCI for further investigation and the matter has been referred back to DG.

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

Yes. The Company carries out consumer surveys/consumer satisfaction trends, through interaction with end users and the information is utilised to improve the business operations/services.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

THE RAMCO CEMENTS LIMITED

(CIN:L26941TN1957PLC003566)

Regd. Office: "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu.

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No/DP ID - Client ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name : Address :

E-mail Id : Signature :, or failing him

2. Name : Address :

E-mail Id : Signature :, or failing him

3. Name : Address :

E-mail Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the company, to be held on the Friday, the 4th August 2017 at 10.15 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
Ordinary Business	
1	Adoption of Financial Statements for the year ended 31 st March 2017
2	Declaration of dividend for the year 2016-2017
3	Reappointment of Shri.P.R.Venketrama Raja, as Director
4	Appointment of M/s.Ramakrishna Raja And Co., Chartered Accountants, and M/s.SRSV & Associates, Chartered Accountants, as Auditors

Please see overleaf for Special Resolutions

THE RAMCO CEMENTS LIMITED

(CIN:L26941TN1957PLC003566)

Regd. Office: "Ramamandiram", Rajapalayam - 626 117, Tamil Nadu.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 59th Annual General Meeting of the Company.

Venue : P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108

Date & Time : Friday, the 4th August 2017 at 10.15 AM

Name of the Member Folio No/DP ID - Client ID

Name of the Proxy* Signature of Member/Proxy Attending

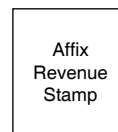
*(To be filled in, if the proxy attends instead of the Member)

Special Business – Special Resolutions	
5	Appointment of Shri.P.R.Venketrama Raja, as Managing Director
6	Approval for making offer or invitation to subscribe to Secured Non-Convertible Debentures
Special Business – Ordinary Resolution	
7	Ratification of fee payable to M/s.Geeyes & Co., Cost Accountants, Cost Auditors of the Company, for the financial year 2017-18

Signed this day of 2017

Signature of Shareholder

Signature of Proxy holder(s)



Note : 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.



Our Mining Team with the “5 Star” rating award bestowed by Ministry of Mines, Government of India, for the Pudupalayam Mines – The first Company in Tamil Nadu to receive such a highest rating for the mines.



The Award being bestowed to Alathiyur Unit (13th Time)



The Award being bestowed to Ariyalur Unit (1st Time)

The Ramasamy Raja Nagar, Alathiyur and Ariyalur Units had won the “National Award for Excellence in Energy Management – 2016” from Confederation of Indian Industry in August 2016.

YOU SURE HAVE A HEART,
SO YOU MUST HAVE SOME BLOOD TO DONATE



LET YOUR BLOOD RUSH IN
WHEN SOMEONE'S LIFE IS RUNNING OUT
