



# THE INDIA CEMENTS LIMITED

Corporate Office : Coromandel Towers, 93, Santhome High Road, Karpagam Avenue.

R.A. Puram, Chennai - 600 028. Phone : 044-2852 1526, 2857 2100

Fax : 044-2851 7198, Grams : 'INDCEMENT'

CIN : L26942TN1946PLC000931

SH/NSE

07.09.2017

National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra (E)  
**MUMBAI 400 051.**

Dear Sirs,

**Sub.: Annual Report-2017 - Regulation 34 of SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015**

Further to our letter dated 09.08.2017, forwarding our "Notice of 71<sup>st</sup> Annual General meeting to Shareholders", we enclose herewith a copy of our Company's Annual Report for the year ended 31.03.2017, as adopted by the shareholders at the Annual General Meeting held on 4<sup>th</sup> September, 2017.

Thanking you,

Yours faithfully,  
for THE INDIA CEMENTS LIMITED

**COMPANY SECRETARY**

Encl.: As above



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INDIA CEMENTS

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LIMITED

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ANNUAL REPORT

**2017**



**CHILAMAKUR WORKS RECEIVED THE BEST MANAGEMENT AWARD FROM GOVERNMENT OF ANDHRA PRADESH**

## **71<sup>st</sup> Annual General Meeting**

Date : 4<sup>th</sup> September 2017 (Monday)  
 Time : 1.30 P.M.  
 Venue : Sathguru Gnanananda Hall,  
 (Narada Gana Sabha),  
 No.314, T.T.K.Road,  
 Alwarpet,  
 Chennai 600018.

### **A REQUEST**

The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are, therefore, requested to bring their copy of the Annual Report to the meeting.

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# THE INDIA CEMENTS LIMITED



## BOARD OF DIRECTORS

|                                      |                                                  |
|--------------------------------------|--------------------------------------------------|
| <b>Sri N.Srinivasan</b>              | Vice Chairman & Managing Director                |
| <b>Smt. Chitra Srinivasan</b>        |                                                  |
| <b>Smt. Rupa Gurunath</b>            | Wholetime Director                               |
| <b>Sri Arun Datta</b>                |                                                  |
| <b>Sri S.Balasubramanian Adityan</b> |                                                  |
| <b>Sri K.Balakrishnan</b>            | (w.e.f. 29.08.2016)                              |
| <b>Sri N.R.Krishnan</b>              |                                                  |
| <b>Sri M.R.Kumar</b>                 | (Nominee of Life Insurance Corporation of India) |
| <b>Sri V.Manickam</b>                |                                                  |
| <b>Sri Rabinarayan Panda</b>         | (Nominee of IDBI Bank Limited)                   |
| <b>Sri V.Ranganathan</b>             | (w.e.f. 29.08.2016)                              |
| <b>Sri N.Srinivasan</b>              |                                                  |

## AUDITORS

Messrs Brahmayya & Co.  
Chartered Accountants  
48, Masilamani Road, Balaji Nagar,  
Royapettah, Chennai - 600 014.

Messrs P.S. Subramania Iyer & Co.  
Chartered Accountants  
103, P.S.Sivaswamy Salai, Mylapore,  
Chennai - 600 004.

## REGISTERED OFFICE

"Dhun Building"  
827, Anna Salai,  
Chennai - 600 002.

## CORPORATE OFFICE

"Coromandel Towers"  
93, Santhome High Road,  
Karpagam Avenue,  
R.A. Puram,  
Chennai - 600 028.

Website: [www.indiacements.co.in](http://www.indiacements.co.in)

## CEMENT FACTORIES

### TAMIL NADU

**Sankarnagar**, Tirunelveli District.  
**Sankari**, Salem District.  
**Dalavoi**, Ariyalur District.

### RAJASTHAN

**Nokhla**, Banswara District.

### ANDHRA PRADESH

**Chilamakur**, Kadapa District.  
**Yerraguntla**, Kadapa District.

### TELANGANA

**Vishnupuram**, Nalgonda District.  
**Malkapur**, Ranga Reddy District.

## GRINDING UNITS

### TAMIL NADU

**Vallur Village**,  
Tiruvallur District.

### MAHARASHTRA

**Parli Vaijnath**,  
Beed District.

## RMC UNITS

Tamil Nadu, Karnataka and Telangana



# THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office: "Dhun Building", 827, Anna Salai, Chennai 600 002.

Corporate Office : "Coromandel Towers", 93, Santhome High Road,  
Karpagam Avenue, R.A.Puram, Chennai 600 028.

Website: [www.indiacements.co.in](http://www.indiacements.co.in) E-mail Id: [investor@indiacements.co.in](mailto:investor@indiacements.co.in)

Tel: 044-2852 1526 / 28572 100 / 400 Fax: 044-2851 7198

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Seventyfirst Annual General Meeting of The India Cements Limited will be held at 1.30 P.M. on Monday, the 4<sup>th</sup> September, 2017, at Sathguru Gnanananda Hall (Narada Gana Sabha), No.314, T.T.K.Road, Alwarpet, Chennai 600 018, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt standalone Balance Sheet as at 31<sup>st</sup> March 2017, Statement of Profit and Loss and Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2017 and Reports of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Balance Sheet as at 31<sup>st</sup> March 2017, Statement of Profit and Loss and Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2017 and Report of Auditors thereon.
3. To declare dividend on Equity Shares for the financial year ended 31.03.2017.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Smt. Chitra Srinivasan (DIN:01094213) who retires by rotation and is eligible for reappointment be and is hereby reappointed as a Director of the Company, subject to retirement by rotation."

5. Appointment of Auditors and fixation of remuneration:

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) M/s. K.S.Rao & Co., Chartered Accountants (Registration No.003109S) and M/s. S.Viswanathan, LLP, Chartered Accountants (Registration No.004770S / S200025), be and are hereby appointed as Statutory Auditors of the Company in the place of M/s.Brahmayya & Co. and M/s. P.S.Subramania Iyer & Co., Chartered Accountants, the existing Auditors for a term of five years to hold office from the conclusion of the Seventyfirst Annual General Meeting until the conclusion of the Seventysixth Annual General Meeting, subject to ratification of such appointment by the Members at every Annual General Meeting held after this Annual General Meeting on a remuneration of Rs.30 Lakhs (Rupees Thirty Lakhs only) each for the year 2017-18 exclusive of applicable taxes and all travelling and out of pocket expenses, which shall be reimbursed to them and for the subsequent years, as may be determined by the Board of Directors on the recommendation of the Audit Committee."

### SPECIAL BUSINESS:

6. To appoint Sri M.R.Kumar as a Director of the Company and for that purpose to consider and if thought fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a Member of the Company as required under Section 160 of the Companies Act, 2013:

"RESOLVED THAT Sri M.R.Kumar (DIN: 03628755) be and is hereby appointed as a Director of the Company subject to retirement by rotation."

7. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri K.Balakrishnan (DIN:00034031), a Non-Executive Independent Director of the Company, who was appointed by the Board of Directors on 29.08.2016 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years from 29<sup>th</sup> August, 2016 to 28<sup>th</sup> August, 2019 and that he shall not be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri V.Ranganathan (DIN: 00550121), a Non-Executive Independent Director of the Company, who was appointed by the Board of Directors on 29.08.2016 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years from 29<sup>th</sup> August, 2016 to 28<sup>th</sup> August, 2019 and that he shall not be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification, the following resolutions as SPECIAL RESOLUTIONS:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and all other applicable rules framed under the Act (including any statutory modifications or re-enactments thereof for the time being in force), Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended and / or any other Rules / Regulations / Guidelines, if any, prescribed by SEBI, Reserve Bank of India, Ministry of Corporate Affairs and any other Statutory / Regulatory Authority and subject to the provisions of the Memorandum and Articles of Association of the Company, the Company do offer, issue and allot secured and / or unsecured redeemable Non-Convertible Debentures and / or Bonds and / or other securities from time to time, in one or more series and /



or tranches, by way of private placement, to person(s), including companies, other bodies corporate, institution(s), banks and such other entity(ies) in such form and in such manner for an aggregate amount not exceeding Rs.2000 crores, for cash at par or premium and on such terms and conditions including Listing of securities, if required, within one year from the date of passing of this resolution, as the Board of Directors of the Company (the Board) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter may constitute for exercising the powers conferred on the Board by this resolution) may in its absolute discretion decide."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the aforesaid resolution."

10. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), the remuneration of Rs.17 Lakhs (Rupees Seventeen Lakhs only) payable to Sri S.A.Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor, besides reimbursement of applicable tax, travelling and out of pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors for auditing the cost accounts of the Company in respect of cement plants, power plants, grinding and ready mix concrete units for the year ending 31<sup>st</sup> March 2018, be and is hereby ratified."

**NOTES:**

1. Explanatory Statement is annexed to the Notice of the Seventyfirst Annual General Meeting of the Company as required by Section 102 of the Companies Act, 2013 in respect of Items No.5 to 10.
2. Details pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) in respect of Directors seeking appointment / reappointment at the Annual General Meeting are annexed hereto for Items No.4, 6 to 8 of the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights; provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.

The Proxy Form, duly completed and signed, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

Members / Proxies should bring the Attendance Slip, duly filled-in and signed, to attend the meeting.

4. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.



Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 29.08.2017 to 04.09.2017 (both days inclusive).
6. The equity dividend, if declared, will be paid on or before 03.10.2017 to those Members (or their mandatees) whose names will appear in the Company's Register of Members as on 04.09.2017. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.
7. Members are requested to contact the Registrar and Share Transfer Agent (RTA) for all matters connected with the Company's shares at Integrated Registry Management Services Private Limited, [formerly Integrated Enterprises (India) Limited] 2<sup>nd</sup> Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600017, Tel.: 044-28140801 to 28140803 & Fax: 044-28142479; Email: corpserve@integratedindia.in.

Members holding shares in physical form are requested to notify change of address, if any, to the RTA. Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their Share Certificates for consolidation of their holdings into one folio.

8. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
9. Unclaimed dividends upto and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to financial year(s) upto 1994-95 may claim the same from the Registrar of Companies, Tamil Nadu-I, Chennai, No.26, Haddows Road, Chennai 600006, in the prescribed form which will be supplied by the Company / RTA on request.
10. Unclaimed dividends for the financial years from 1995-96 to 2000-01, 2006-07 to 2008-09 have been transferred to Investor Education and Protection Fund (IEPF). Dividend for the financial years ended 31<sup>st</sup> March 2010 to 31<sup>st</sup> March 2013 and 31<sup>st</sup> March 2016 which remain unpaid or unclaimed for a period of 7 years will be transferred to the IEPF established under Section 125 of the Companies Act, 2013. Shareholders who have not encashed the dividend warrant(s) so far for the financial years ended 31<sup>st</sup> March 2010 to 31<sup>st</sup> March 2013 and 31<sup>st</sup> March 2016 are requested to make their claim forthwith to the Registered / Corporate Office of the Company / RTA. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof against the Company.

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (Rules), all the equity shares in respect of which dividend has remained unpaid/unclaimed for a period seven consecutive years or more are required to be transferred to IEPF established by the Central Government. In terms of the said Rules, the Company has sent individual communication by registered post to those shareholders, who have not encashed / claimed dividends for seven consecutive years since 2009 -10 and also published a Notice in the Newspapers requesting the shareholders to claim such unclaimed dividend. A statement containing the details of such shareholders and their Folio No./ DP ID & Client Id has been placed on the Company's website: [www.indiacements.co.in](http://www.indiacements.co.in) under the heading "Investors Corner".





Shareholders who have not encashed / claimed their dividends from the year 2009-10 are advised to contact or write to the Company or to the RTA, Integrated Registry Management Services Private Limited, immediately in this regard.

In case, the Company / RTA do not receive any communication from the concerned shareholders, claiming their dividends, the Company shall, in compliance with the said Rules, transfer such corresponding shares to IEPF account, after following the procedures laid down therein on the due date as may be notified by the Ministry of Corporate Affairs in this regard.

It may be noted that all benefits, if any, which may accrue in future on such shares, including bonus shares, dividend, etc. will be credited to IEPF account. Any claim in respect of the said shares / dividend so transferred, may be submitted online to IEPF in the prescribed eform by following the procedures laid down in the Rules, available on the IEPF website: [www.iepf.gov.in](http://www.iepf.gov.in).

11. Under the provisions of Section 72 of the Companies Act, 2013, shareholder(s) is / are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his / her / their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company / RTA.
12. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferor(s), transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer / transmission / transposition, is mandatory.
13. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report along with this Notice of the Annual General Meeting, Attendance Slip and Proxy Form is sent by e-mail to those Members who have registered their e-mail address with the Company / Registrar and Share Transfer Agent (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

Shareholders are requested to note that the said documents would also be available on the Company's website '[www.indiacements.co.in](http://www.indiacements.co.in)' from where it can be downloaded. In case any Shareholder desires to receive the above document(s) in physical form, such Shareholder is required to send an e-mail to [investor@indiacements.co.in](mailto:investor@indiacements.co.in) quoting DP ID and Client ID Number in case the shares are held in electronic form and Folio Number in case the shares are held in physical form.

Members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with (i) the Depository Participant(s), if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent (RTA) of the Company, if the shares are held in physical form.

14. In terms of the Listing Regulations, Listed Companies are required to use electronic Clearing Services, Direct Credit, RTGS, NEFT etc., for payment of dividend. Members holding shares in demat mode are requested to update the bank details with their Depository Participants. Members holding shares in Physical form may send request updating bank details to RTA / Company.

#### 15. **Electronic Voting (e-Voting)**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 71<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted

through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through ballot paper. In case any member casts his / her vote through ballot at the AGM in addition to remote e-Voting, the voting through remote e-Voting shall be considered as final and vote cast at the AGM through ballot shall be considered as invalid.
- III. The members who have cast their vote by remote e-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-Voting period commences on 31.08.2017 (9.00 A.M.) and ends on 03.09.2017 (5.00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28.08.2017, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution(s) is cast by the member, the member shall not be allowed to change it subsequently.
- V. Smt.P.R.Sudha, Company Secretary in Practice (Membership No.F6046), has been appointed as the Scrutinizer to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
- VI. The process and manner for remote e-Voting are as under:

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

- (i) Open email and open PDF file viz. "ICL AGM 2017 e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-Voting. Please note that the password is an initial password. If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- (iii) Click on "Shareholder - Login".
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

Note: Shareholders who forgot the User Details / Password can use "Forgot User Details / Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DP ID + Client ID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).

- (v) After successful login, you can change the password with new password of your choice.
- (vi) Home page of remote e-Voting opens. Click on remote e-Voting: Active Voting Cycles.



- (vii) Select "EVEN" of The India Cements Limited.
- (viii) Now you are ready for remote e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution(s), you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [sudha.pr2@gmail.com](mailto:sudha.pr2@gmail.com) or [sudha\\_pr@yahoo.com](mailto:sudha_pr@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

| EVEN (Remote e-Voting Event Number) | USER ID | PASSWORD/PIN |
|-------------------------------------|---------|--------------|
|                                     |         |              |

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

VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll free No.:1800-222-990.

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

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 28.08.2017.

X. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 28.08.2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company / RTA.

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

XI. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through ballot paper.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than fortyeight hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.indiacements.co.in](http://www.indiacements.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, where equity shares are listed.

(By order of the Board)  
for THE INDIA CEMENTS LIMITED

Place : Chennai  
Date : 28<sup>th</sup> July, 2017

S.SRIDHARAN  
Company Secretary



**PURSUANT TO REGULATION 36 (3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / REAPPOINTED, VIDE ITEMS NO.4, 6 TO 8 OF THE NOTICE CONVENING THE 71<sup>ST</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

|                                                                                                         |                                                                                                                       |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| (i) Name of the Director                                                                                | : Smt. Chitra Srinivasan                                                                                              |
| Date of Birth                                                                                           | : 31 <sup>st</sup> July 1949                                                                                          |
| Date of appointment on the Board as Director                                                            | : 5 <sup>th</sup> March 2010                                                                                          |
| Date of last reappointment as Director                                                                  | : 29 <sup>th</sup> August 2016                                                                                        |
| Expertise in specific functional areas                                                                  | : Industry                                                                                                            |
| Qualification                                                                                           | : B.Sc.                                                                                                               |
| Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis  | : 78580                                                                                                               |
| List of outside Directorships held in Public Companies                                                  | : Nil                                                                                                                 |
| Chairman / Member of the Committees of Board of Directors of the Company                                | : Nil                                                                                                                 |
| Chairman / Member of the Committees of Board of Directors of other Companies in which she is a Director | : Not Applicable                                                                                                      |
| Relationships between directors inter-se                                                                | : Spouse of Sri N. Srinivasan, Vice Chairman & Managing Director and Mother of Smt. Rupa Gurunath, Wholetime Director |
| (ii) Name of the Director                                                                               | : Sri M.R. Kumar                                                                                                      |
| Date of Birth                                                                                           | : 13 <sup>th</sup> June 1961                                                                                          |
| Date of appointment on the Board as Director                                                            | : 26 <sup>th</sup> May 2016                                                                                           |
| Date of last reappointment as Director                                                                  | : Not Applicable                                                                                                      |
| Expertise in specific functional areas                                                                  | : Insurance, Marketing and Personnel                                                                                  |
| Qualification                                                                                           | : B.Sc.                                                                                                               |
| Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis  | : Nil                                                                                                                 |
| List of outside Directorships held in Public Companies                                                  | : Listed Entity:<br>Tamilnadu Newsprint & Papers Limited                                                              |
| Chairman / Member of the Committees of Board of Directors of the Company                                | : Nil                                                                                                                 |
| Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director  | : Tamilnadu Newsprint & Papers Limited:<br>Audit Committee - Member<br>Stakeholders Relationship Committee - Member   |
| Relationships between directors inter-se                                                                | : Nil                                                                                                                 |

|                                                                                                        |                                  |
|--------------------------------------------------------------------------------------------------------|----------------------------------|
| (iii) Name of the Director                                                                             | : Sri K.Balakrishnan             |
| Date of Birth                                                                                          | : 26 <sup>th</sup> December 1958 |
| Date of appointment on the Board as an Independent Director                                            | : 29 <sup>th</sup> August 2016   |
| Date of last reappointment as an Independent Director                                                  | : Not Applicable                 |
| Expertise in specific functional areas                                                                 | : Finance and Investment         |
| Qualification                                                                                          | : C.A., C.S.,                    |
| Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis | : 8,500                          |
| List of outside Directorships held in Public Companies                                                 | : Nil                            |
| Chairman / Member of the Committees of Board of Directors of the Company                               | : Nil                            |
| Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director | : Nil                            |
| Relationships between directors inter-se                                                               | : Nil                            |
| (iv) Name of the Director                                                                              | : Sri V.Ranganathan              |
| Date of Birth                                                                                          | : 10 <sup>th</sup> November 1958 |
| Date of appointment on the Board as an Independent Director                                            | : 29 <sup>th</sup> August 2016   |
| Date of last reappointment as an Independent Director                                                  | : Not Applicable                 |
| Expertise in specific functional areas                                                                 | : Tax and Regulatory Services    |
| Qualification                                                                                          | : B.Com., C.A., C.S.,            |
| Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis | : Nil                            |
| List of outside Directorships held in Public Companies                                                 | : Nil                            |
| Chairman / Member of the Committees of Board of Directors of the Company                               | : Nil                            |
| Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director | : Nil                            |
| Relationships between directors inter-se                                                               | : Nil                            |



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE SEVENTYFIRST ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO.5 TO 10 OF THE SAID NOTICE**

**Item No.5:**

In terms of provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s.Brahmayya & Co. and M/s.P.S.Subramania Iyer & Co., Chartered Accountants, the existing Statutory Auditors will complete their term of office at the ensuing Annual General Meeting of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 28<sup>th</sup> July 2017, recommended the appointment of M/s. K.S.Rao & Co., Chartered Accountants, (Registration No.003109S) and M/s. S.Viswanathan, LLP, Chartered Accountants, (Registration No.004770S / S200025) as Statutory Auditors of the Company in the place of the existing auditors, for a term of five years to hold office from the conclusion of the Seventyfirst Annual General Meeting until the conclusion of the Seventysixth Annual General Meeting for approval of the members, subject to ratification of such appointment by the Members at every Annual General Meeting held after this Annual General Meeting on a remuneration of Rs.30 Lakhs (Rupees Thirty Lakhs only) each for the year 2017-18 exclusive of applicable taxes and all travelling and out of pocket expenses, which shall be reimbursed to them and for the subsequent years, as may be determined by the Board of Directors on the recommendation of the Audit Committee.

The Company has obtained written consent and certificate from the Auditors confirming that their appointments, if made, shall be in accordance with the conditions and criteria laid down under the Companies Act, 2013.

The Board recommends the resolution as set out in Item No.5 of the Notice for approval of the Members.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Item No.6:**

Sri M.R.Kumar (DIN: 03628755) was appointed by the Board of Directors with effect from 26<sup>th</sup> May, 2016 in the casual vacancy caused by withdrawal of nomination of Sri Basavaraju by Life Insurance Corporation of India and he will hold office upto the 71<sup>st</sup> Annual General Meeting of the Company.

Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri M.R.Kumar as a Director of the Company liable to retire by rotation.

The Board recommends the Ordinary Resolution as set out in Item No.6 of the Notice for approval of Members.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors except Sri M.R.Kumar and none of Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Items No.7 & 8:**

Sri K.Balakrishnan (DIN:00034031) and Sri V.Ranganathan (DIN: 00550121), were appointed as Independent Directors on the Company's Board with effect from 29<sup>th</sup> August 2016.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act, the appointment of Sri K.Balakrishnan and Sri V.Ranganathan as Independent Directors shall be approved by the Members at the Seventyfirst Annual General Meeting of the Company.

Sri K.Balakrishnan and Sri V.Ranganathan are eligible for appointment as Independent Directors in terms of Section 149(4) and have given declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act.



In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri K.Balakrishnan and Sri V.Ranganathan are proposed to be appointed as Independent Directors for a term of 3 consecutive years from 29<sup>th</sup> August 2016 to 28<sup>th</sup> August 2019.

The Nomination and Remuneration Committee has recommended their appointment as Independent Directors for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from members signifying their intention to propose the appointment of the aforesaid Directors as Independent Directors of the Company.

Sri K.Balakrishnan and Sri V.Ranganathan fulfil all the conditions specified in the Act and the Rules made thereunder and they are independent of the Management. The Board considers that their appointment as Independent Directors for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolutions as set out in Items No.7 & 8 of the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company for approval of the Members.

A copy of the draft letter of appointment of the Independent Directors setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

#### **Interest of Directors and Key Managerial Personnel:**

Sri K.Balakrishnan and Sri V.Ranganathan are interested in their respective resolutions, as they relate to their appointment. None of the other directors and key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in these resolutions.

#### **Items No.9:**

The shareholders of the Company, at the extra-ordinary General Meeting held on 26<sup>th</sup> September 2014, have authorised the Board of Directors to borrow (apart from temporary loans obtained by the bankers in the ordinary course of business) upto Rs.2900 Crores over and above the paid-up Share Capital and free Reserves of the Company for the time being.

The Shareholders at the Seventieth Annual General Meeting held on 29<sup>th</sup> August, 2016 had passed Special Resolutions authorising the Board of Directors of the Company to offer, issue and allot secured and / or unsecured redeemable Non-Convertible Debentures and /or Bonds and / or other securities, in one or more series and / or tranches, by way of private placement for an aggregate amount not exceeding Rs.2000 Crores for cash at par or premium, within the said overall borrowing limit approved by the shareholders. The said resolutions were valid and effective for one year from 29<sup>th</sup> August, 2016. Pursuant to the aforesaid resolutions, the Company had raised an amount of Rs.150 Crores by issue of Rated, Unlisted, Secured Redeemable Non-Convertible Debenture.

Consequent to the provisions of Sections 42 and 71 of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company will be able to raise funds by way of issue of Non-Convertible Debentures (NCDs) / other securities on private placement basis, only with the prior approval of the Shareholders by way of a special resolution and such resolution will be valid for one year from the date of passing of such resolution.

The nature of facility to be availed from various Institutions / Banks and others depend on the pricing of the facility, the ability of the Lender to participate in such facility and the advantages in choosing a particular instrument. Towards the aforesaid objective, the company may offer or invite subscriptions for secured / unsecured, Non-Convertible Debentures / Bonds / Other securities, for an aggregate amount not exceeding Rs.2000 Crores, including the Debentures issued for Rs.150 Crores as aforesaid, for cash at par or premium, in one or more series / tranches, on private placement basis as the same is one of the most cost effective borrowings of the Company.

The proposed resolution will enable the Board of Directors to have the flexibility to choose the best option available for borrowing viz., NCDs, Bonds, other securities etc., taking into account the pricing of the facility, the ability of the potential lenders to participate in such facility and any other advantages in choosing a particular facility.

As the validity of the resolution passed by the Shareholders at the 70<sup>th</sup> AGM held on 29<sup>th</sup> August, 2016 will expire on 28<sup>th</sup> August, 2017 and needs to be renewed, the Board of Directors recommends the special resolutions set out in Item No.9 of the accompanying Notice for your approval.



**Interest of Directors and Key Managerial Personnel:**

None of the directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in these resolutions except to the extent of their shareholding, if any, in the Company.

**Item No.10:**

The Board of Directors at its meeting held on 28.07.2017 based on the recommendation of the Audit Committee approved the appointment of Sri S.A.Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor for auditing the cost accounts of the Company in respect of Cement Plants, Power Plants, Grinding and Ready Mix Concrete Units for the financial year ending 31.03.2018 at a remuneration of Rs.17 lakhs, besides reimbursement of applicable tax, travelling and out of pocket expenses. Consequent to the Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company, the scope and coverage of cost audit includes Cement Plant and Ready Mix Concrete Units of these companies and hence the remuneration payable to the cost auditor includes the amount for the respective Plant and Units.

In terms of Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Hence the resolution.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors or key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

(By order of the Board)  
for THE INDIA CEMENTS LIMITED

Place : Chennai  
Date : 28<sup>th</sup> July, 2017

S.SRIDHARAN  
Company Secretary

**TEN YEARS IN BRIEF - FINANCIAL INFORMATION**  
**YEAR ENDED 31<sup>ST</sup> MARCH**

|                                                |          | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   | 2014    | 2015   | 2016   | 2017          |
|------------------------------------------------|----------|--------|--------|--------|--------|--------|--------|---------|--------|--------|---------------|
| <b>Sales &amp; Earnings</b>                    |          |        |        |        |        |        |        |         |        |        |               |
| 1. Sales and other Income                      | Rs.Lakhs | 360561 | 395454 | 422169 | 401134 | 474181 | 523155 | 512324  | 502857 | 483359 | <b>579404</b> |
| 2. Profit / (Loss) before tax                  | Rs.Lakhs | 84464  | 64830  | 53132  | 8987   | 38098  | 25236  | (16240) | 2945   | 20031  | <b>26002</b>  |
| 3. Cash Generated (internally)<br>(before tax) | Rs.Lakhs | 96243  | 93097  | 72087  | 33158  | 63228  | 53420  | 11399   | 28736  | 41833  | <b>51709</b>  |
| <b>Assets<sup>@</sup></b>                      |          |        |        |        |        |        |        |         |        |        |               |
| 4. Fixed Assets (Net)                          | Rs.Lakhs | 403937 | 471229 | 462151 | 487431 | 427802 | 448128 | 426250  | 367484 | 350232 | <b>710069</b> |
| 5. Capital Investments                         | Rs.Lakhs | 91990  | 95426  | 29625  | 56896  | 85196  | 95783  | 94554   | 158522 | 158469 | <b>61646</b>  |
| 6. Current Assets                              | Rs.Lakhs | 108735 | 83010  | 100726 | 80523  | 119664 | 147383 | 144567  | 152018 | 151226 | <b>169859</b> |
| 7. Loans and Advances                          | Rs.Lakhs | 106206 | 131343 | 186919 | 209863 | 237283 | 239738 | 255230  | 197440 | 203499 | <b>122953</b> |
| <b>Capital &amp; Reserves</b>                  |          |        |        |        |        |        |        |         |        |        |               |
| 8. Share Capital                               | Rs.Lakhs | 28187  | 28243  | 30717  | 30718  | 30718  | 30718  | 30718   | 30718  | 30718  | <b>30815</b>  |
| 9. Reserves and Surplus *                      | Rs.Lakhs | 224427 | 262559 | 318019 | 319457 | 322934 | 331945 | 315716  | 295533 | 305837 | <b>480175</b> |
| 10. Shareholder's Fund                         | Rs.Lakhs | 252614 | 290802 | 348736 | 350175 | 353652 | 362663 | 346434  | 326251 | 336555 | <b>510990</b> |
| <b>Net worth, EPS &amp; Dividend</b>           |          |        |        |        |        |        |        |         |        |        |               |
| 11. Net worth Per Equity Share                 | (Rs.)    | 89.62  | 102.96 | 113.53 | 114.00 | 115.13 | 118.06 | 112.78  | 106.21 | 109.56 | <b>165.82</b> |
| 12. Earnings Per Equity Share                  | (Rs.)    | 23.97  | 15.32  | 12.49  | 2.22   | 9.54   | 5.32   | (5.29)  | 0.96   | 4.49   | <b>5.45</b>   |
| 13. Equity Dividend Per share                  | (Rs.)    | 2      | 2      | 2      | 1.50   | 2      | 2      | —       | —      | 1      | <b>1</b>      |

\* Figures for the year 2008 to 2016 exclude revaluation reserve and deferred income and after adjustment of deferred revenue expenditure.

<sup>@</sup> The figures shown for the year 2012 to 2016 are as per the revised Schedule VI / Schedule III format and hence are not comparable to previous years' figures.

The figures shown for the year 2017 are as per Ind AS and includes financials of Trinetra Cement Limited and Trishul Concrete Products Limited, the amalgamated Companies and hence are not comparable to previous years' figures.



## DIRECTORS' REPORT

Your Directors have pleasure in presenting their **Seventy-first Annual Report** together with audited accounts for the year ended 31<sup>st</sup> March 2017.

|                                                                                              | Rs. in Crore                              |         |
|----------------------------------------------------------------------------------------------|-------------------------------------------|---------|
|                                                                                              | For the year ended 31 <sup>st</sup> March |         |
|                                                                                              | 2017                                      | 2016    |
| <b>FINANCIAL RESULTS</b>                                                                     |                                           |         |
| Profit before Interest, Depreciation & Exceptional Items                                     | 877.54                                    | 797.60  |
| Less : Finance costs                                                                         | 360.46                                    | 382.50  |
| Less : Depreciation / Amortization                                                           | 257.06                                    | 219.46  |
| Less : Exceptional Items                                                                     | —                                         | 3.20    |
| Profit Before Tax                                                                            | 260.02                                    | 192.44  |
| Current Tax                                                                                  | 53.71                                     | 60.36   |
| MAT credit entitlement                                                                       | (53.71)                                   | (27.11) |
| Deferred Tax                                                                                 | 86.67                                     | 29.24   |
| Profit After Tax                                                                             | 173.35                                    | 129.95  |
| Other comprehensive income (net)                                                             | (5.47)                                    | —       |
| Total comprehensive income                                                                   | 167.88                                    | 129.95  |
| Add : Surplus brought forward from last year                                                 | 868.56                                    | 778.61  |
| Less : Dividend on Equity Capital (including Dividend Distribution Tax) paid during the year | 36.97                                     | —       |
| Less : Transfer to General Reserve                                                           | 60.00                                     | 40.00   |
| Surplus carried forward                                                                      | 939.47                                    | 868.56  |

The Hon'ble National Company Law Tribunal (NCLT), Division Bench, Chennai, has, vide its Orders dated April 13, 2017 and April 20, 2017 sanctioned the Scheme of Amalgamation and Arrangement between Trinetra Cement Limited (TCL) (First Transferor Company) and Trishul Concrete Products Limited (TCPL) (Second Transferor Company) with The India Cements Limited (Transferee Company) and their respective shareholders, subject to the directions given by the Hon'ble High Court of Madras on 31.01.2017 in C.P.No.171 of 2015. The said Orders were filed with the Registrar of Companies, Tamil Nadu, Chennai, on 28.04.2017 and accordingly, the Scheme became effective from the appointed date i.e. 01.01.2014.

The aforesaid results for 2016-17 include financials of the TCL and TCPL, which stands amalgamated with your Company and are therefore not strictly comparable with those of the previous year.

### Ind AS

As per Ministry of Corporate Affairs (MCA) notification dated 16.02.2015, the Indian Accounting Standards (Ind AS) are mandatory for the Company for the Financial year commencing 01.04.2016. Accordingly the Company has adopted Ind AS from 01.04.2016 and the financial statements for the year ended 31.03.2017 are prepared in accordance with the principles laid down in the said Ind AS. The financial statements for the corresponding year ended 31<sup>st</sup> March, 2016 is restated under Ind AS.

### DIVIDEND

The Board of Directors has recommended a dividend of Re.1 per Equity Share of Rs.10/- each on 30,81,53,074 Equity Shares of Rs.10/- each for the year ended 31<sup>st</sup> March, 2017, including on 9,74,417 equity shares of Rs.10/- each issued for allotment to the shareholders of TCL and TCPL and proportionate dividend on 1,317 Equity shares having calls in arrears. The proposed dividend, on approval by the Shareholders at the ensuing Annual General Meeting will be met out of surplus in the Statement of Profit and Loss in the Balance Sheet.

### SHARE CAPITAL

The authorised share capital of the Company has gone up to Rs.1419.81 Crores from Rs.535 Crores in terms of the approved Scheme of Amalgamation referred to earlier in the report. The paid-up equity share capital has further increased to 30,81,53,074 shares of Rs.10/- each in April 2017, on issue of 9,74,417 equity shares of Rs.10/- each to the shareholders of TCL and TCPL in terms of the said Scheme of Amalgamation as sanctioned by the Hon'ble National Company Law Tribunal, Division Bench, Chennai.

## **EMPLOYEES STOCK OPTION SCHEME**

The Compensation Committee at its meeting held on 15<sup>th</sup> March, 2017 approved the 'Employees Stock Option Scheme, 2016' (Scheme) and granted 18.35 lakh stock options to certain eligible employees of the Company, effective from 01.04.2017. In terms of this Scheme, options granted to employees will vest on 1<sup>st</sup> April 2018. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paid-up for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1<sup>st</sup> April, 2019 in not more than two tranches.

## **TRANSFER TO RESERVES**

The Company proposes to transfer Rs.60 crores to the General Reserve and to retain Rs.939 crores as surplus in the Profit and Loss Account.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (SEBI (LODR) Regulations, 2015) a Management Discussion and Analysis Report is given in Annexure 'B'.

## **CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015, a report on Corporate Governance along with Auditors' Certificate confirming its compliance is included as part of the Annual Report and is given in Annexure 'C' and Annexure 'D' respectively. Further a declaration on Code of Conduct signed by the Vice Chairman & Managing Director in his capacity as Chief Executive Officer of the Company is given in Annexure 'E'.

## **BUSINESS RESPONSIBILITY REPORT (BRR)**

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, a Business Responsibility Report is given in Annexure 'F'.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

A report on CSR activities of the Company during 2016-17 is given in Annexure 'G'.

## **LICENCES & RECOGNITIONS**

The Company's Vishnupuram plant has been granted license by American Petroleum Institute (API), USA, to use the official API Monogram on manufactured products and in accordance with the provisions of the License Agreement, the API Monogram shall be used in conjunction with the Certificate Number: 10A-0138.

The Company's Banswara plant has obtained the license for Environment Management Systems Certification (IS/ISO14001:2015) and Quality Management System Certification (IS/ISO 9001:2015) and Occupational Health Management System Certification IS18001:2007 valid for 3 years.

The Company's Chilamkur plant has been honoured by the Andhra Pradesh State Government with Best Management Award for Congenial and Cordial Industrial Relations and putting in extraordinary efforts for the welfare of labour and CSR activities.

The company's inhouse magazine "Compass" earned Certificate of Merit in the inhouse magazine competition held in Mumbai and continues to remain among the top 100 meritorious magazines.

## **OPERATIONS**

The performance of the company for the year has been discussed in detail in the Management Discussions and Analysis section. The industry which has created capacity well ahead of demand reeled under pressure with practically nil growth during the year following a meagre growth in the previous year as per the information published by Department of Industrial Policy and Promotion (DIPP). The production during the year according to the report was 280 million tons against the capacity of over 375 million tons resulting in an average capacity utilization of around 75%. According to DIPP reports, while the industry had witnessed a growth of over 5% in the first half of the fiscal, overall for the year was a negative growth of 1.2% caused partially by demonetization exercise done in November 2016.

The industry in north, central and western regions clocked a capacity utilization of over 80% while the industry in south could operate only at around 60%. With this backdrop, the performance of the company can be considered to be satisfactory with a capacity utilisation of around 70% for the year. As mentioned elsewhere, the current year figures of operations and financial performance includes that of the merged entities of Trinetra Cement Limited and Trishul Concrete Products Limited and hence they are not strictly comparable with that of previous year. The sales volume for the year under review including clinker was at 11.04 million tons and the total revenue for the year was at Rs.5794 crores. With the softening of the international price of coal and with higher usage of cost effective petcoke in the fuel mix and with improved clinker to cement ratio, the EBITDA for the year net was Rs.877.54 crores. The interest charges were at Rs.360.46 crores while the depreciation was at



Rs.257.06 crores resulting in profit before tax of Rs.260.02 crores. The tax expenses for the year was Rs.86.67 crores. The profit after tax was at Rs.173.35 crores. The other comprehensive income for the year was (Rs.5.47 crores) net and overall comprehensive income was Rs.167.88 crores for the year. Given the poor demand for cement and the negative growth in consumption, the performance can be considered to be satisfactory.

The shipping division continued to operate its ship mainly in coastal movement of cargo. The total earnings of the division during the year was at Rs.13.98 crores.

With the construction sector taking a hit during the year and with negative growth in cement demand, the operations of the RMC division was also subdued with a sale of 2.56 lakh cu.m. of concrete during the year as against 2.54 lakh cu.m. achieved in the previous year. The total revenue generated was at Rs.101 crores as compared to Rs.102 crores achieved in the previous year.

### **EXPANSION / MODERNISATION**

The Company has already obtained approvals from the environmental authorities for installing new energy efficient cement grinding facility at Sankarnagar replacing some of the old cement mills. The Company has also got approval from the authorities for enhancing capacity of Sankari and Dalavoi plants in Tamil Nadu. The Company has also initiated steps for obtaining necessary approval for enhancing the capacities of one of its plants in Andhra Pradesh and that of one of its grinding units.

### **CHENNAI SUPER KINGS CRICKET LIMITED (CSKCL)**

The Company was informed that CSKCL had sought the permission of BCCI, for the distribution of its shares by India Cements Shareholders Trust to the non-promoter shareholders of India Cements and India Cements Ex-Cricketers Trust. The Company has also been informed that the approval of BCCI is awaited.

### **SUBSIDIARIES**

#### **CONSOLIDATED FINANCIAL STATEMENTS**

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules, the Audited Consolidated Financial Statement of the Company and of all the Subsidiary and Associate Companies is enclosed. A separate statement containing the salient features of the audited financial statement of all the Subsidiary and Associate Companies is also enclosed in Form AOC-1, (Annexure 'H') as prescribed under the Companies Act, 2013 and the Rules made thereunder.

#### **POLICY ON DETERMINATION OF MATERIAL SUBSIDIARIES**

The India Cements Limited has, as on date, 9 subsidiaries controlled through shareholdings in such Companies none of which is material.

#### **COROMANDEL ELECTRIC COMPANY LIMITED**

The power generation from the Gas power plant despite being affected during the year due to shortfall in natural gas supply from GAIL (India) Limited the plant was able to generate 169 million KWH as against 163 million KWH in the previous financial year. The plant load factor was maintained at 75.18% against 72.08% achieved in corresponding previous year. During the year the Company had sold 46 million KWH of power to the cement plants of The India Cements Limited located in Tamil Nadu State while the balance power of 123 million KWH was sold to other group captive consumers. In March 2017 the Company has got additional allocation from Oil and Natural Gas Corporation Limited through E-Tendering basis to meet its shortage of natural gas and this will help in improving the capacity utilisation of the plant further in the coming years. The net income from operations earned by the Company was at Rs.85.62 Crores (Rs.86.43 Crores) and the net profit after tax was at Rs.18.16 Crores against Rs.5.40 Crores in the previous year.

#### **COROMANDEL TRAVELS LIMITED**

The Company owns an aircraft and is engaged in the business of chartering aircrafts as a Non-scheduled operator. The Company has earned a total revenue of Rs.12.75 Crores and has chartered aircraft for 254 flying hours. The Company has broken even at EBIDTA Level.

#### **PT COROMANDEL MINERALS RESOURCES, INDONESIA AND COROMANDEL MINERALS PTE LTD, SINGAPORE**

Since the beginning of this year, the international prices of coal have started improving and as on date, the prices remain firm.

Consequent to this, the Company has recommenced mining activity during the current year. Going forward, the Company is expected to derive the benefits from its investments in the mines, with stable international price of coal.

## **INDIA CEMENTS INFRASTRUCTURES LIMITED**

The Company has taken up for joint development a property in Coimbatore. Necessary approvals for the project have been obtained and the first phase of the work is in an advanced stage of completion. As for the remaining phase of this project, it is proposed to consider revising the plan to suit the current market situation and the regulatory changes to improve the marketability. Meanwhile to gainfully employ its workforce, the Company has offered their services to other companies.

## **ASSOCIATE COMPANIES**

### **COROMANDEL SUGARS LIMITED**

During the year under review, in spite of severe drought conditions in Karnataka impacting the cane availability, cane yield and recovery, the company, could take advantage of the favourable market prices and hence posted an EBIDTA of Rs.34.3 crores (as against Rs.21.08 crores in FY16) and a profit of Rs.0.90 crores (as against a loss of Rs.0.29 lakhs in FY16)

While the crushing saw a steep reduction to 3.81 lakh Tns (7.47 lakh tns in FY16) with consequent reduction in sugar production to 3.39 lakh quintals (as against 7.09 lakh quintals in FY16), the Company achieved a sale of 4.47 lakh quintals (as against 8.33 lakh quintals) by drawing from the opening stock. This coupled with higher price realization of Rs.3374 as against Rs.2519 per quintal in FY16 had enabled the company to achieve better working results.

However, the Company could not take full advantage of the increased capacity in the newly installed 30MW Cogen Plant, which suffered due to lower cane crushing and it is expected that during the current year, the Company will be able to derive higher benefits from the 30MW Cogen plant.

With the prediction of favourable monsoon, the Company expects improved performance in the current year.

### **INDIA CEMENTS CAPITAL LIMITED (ICCL)**

The main focus of the Company continues to be on various fee-based activities such as, Full Fledged Money Changing [FFMC], Travel & Tours and Forex Advisory Services. The Company's FFMC division continues to enjoy the status of Authorised Dealers, Category II. The wholly owned subsidiary viz. India Cements Investment Services Limited (ICISL) is in Stock Broking. The Gross income from operations of ICCL was Rs.445.85 lakhs and that of ICISL was Rs.154.04 lakhs for the year ended 31<sup>st</sup> March, 2017.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

In accordance with Section 134(5)(e) of the Companies Act, 2013 and Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has an Internal Financial Control Policy and Procedures commensurate with the size and nature of operations and financial reporting. The Company has defined standard operating procedures covering all functional areas like sales, marketing, materials, fixed assets etc.

The Company has engaged the services of Chartered Accountant firms for carrying out internal audit of all its plants as well as marketing offices. The internal auditors have been given the specific responsibility to verify and report on compliance of standard operating procedures. The auditors have reported that there are adequate financial controls in place and are being followed by the Company. This has been further explained in the Management Discussion and Analysis Report.

## **RISK MANAGEMENT POLICY**

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and mitigation thereof.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The Policy has been uploaded on the Company's website [www.indiacements.co.in](http://www.indiacements.co.in).

India Cements has always been encouraging its employees to give constructive criticism and suggestions, which will better the overall prospects of the Company and its various stakeholders. India Cements will continue to adopt this as a corner stone of its Personnel Policy.

## **THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an anti-sexual harassment policy in line with the requirements of the captioned Act and Rules made thereunder. There was no complaint of harassment, reported during the year.





## **POLICY ON DEALING WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for its approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company other than remuneration in the case of whole time directors or sitting fee in the case of others.

## **TRANSACTIONS WITH RELATED PARTIES**

Particulars of contracts or arrangements with related parties in Form AOC-2 along with justification are given in Annexure 'J'.

## **LOANS / INVESTMENT / GUARANTEES ETC UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans, investments and guarantees covered under Section 186 of the Companies Act, 2013 are given in Note No.40.13 on accounts for the financial year 2016-17.

## **ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There has been no order passed by any Regulatory authority or Court or Tribunal impacting the going concern status and future operations of the Company.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between 1<sup>st</sup> April 2017 and the date of this report other than those disclosed in the financial statements.

## **ANNUAL RETURN**

Extract of the Annual Return in Form No. MGT-9 is attached with this Report as Annexure 'K'.

## **PUBLIC DEPOSITS**

Your Company has not been accepting deposits from public and shareholders since 16<sup>th</sup> September 2013. Deposits totalling Rs.11.59 lakhs have not so far been claimed by the depositors.

## **CONSERVATION OF ENERGY, ETC.**

Necessary particulars regarding conservation of energy etc. as per provisions of Section 134 of the Companies Act, 2013 are set out in Annexure A.

## **RESEARCH & DEVELOPMENT**

During the year your Company spent Rs.159.34 Lakhs towards revenue expenditure on the R&D department besides a contribution of Rs.19.06 lakhs to National Council for Cement and Building Materials (NCCBM) which carries out research on behalf of cement industry as a whole.

## **DIRECTORS**

Sri R.K.Das and Sri PL. Subramanian resigned as Director with effect from 24<sup>th</sup> June 2016 and 17<sup>th</sup> June 2016 respectively. The Board expresses its appreciation of the valuable contribution made by them during their tenure of office.

Under Article 109 of the Articles of Association of the Company, Smt. Chitra Srinivasan retires by rotation at the ensuing Annual General Meeting of the Company and she is eligible for re-appointment.

Sri M.R.Kumar was appointed as a Nominee Director by Life Insurance Corporation of India in the place of Sri Basavaraju and he will hold the office upto the date of the ensuing Annual General Meeting and the resolution for his election as director liable to retire by rotation is included under Special Business in the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company.

Sri K.Balakrishnan and Sri V.Ranganathan were appointed as Independent Directors by the Board of Directors at their meeting held on 29.08.2016 and the resolutions for their election as Independent Directors for a term of three years from 29.08.2016 to 28.08.2019 are included under Special Business in the Notice convening the 71<sup>st</sup> Annual General meeting of the Company.

Brief particulars of Directors eligible for appointment / re-appointment are annexed to the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company.

Sri N.Srinivasan, Vice Chairman & Managing Director and Smt. Rupa Gurunath, Wholetime Director of the Company are related to Smt.Chitra Srinivasan and are also related to each other. No other director is related to them or each other.

The details of shares and convertible instruments held by non-executive directors are given in Annexure 'C'.

## **INDEPENDENT DIRECTORS**

A declaration given by independent directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, has been received by the Company. The details of familiarization programme for independent directors can be had from the Company's website [www.indiacements.co.in](http://www.indiacements.co.in).

## **FAMILIARIZATION PROCESS**

Senior management personnel of the Company, on a structured basis, interact with directors from time to time to enable them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology and risk management and such other areas. The directors also are facilitated to visit Company's plants to familiarize themselves with factory operations.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013.

"We confirm

1. That in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That such Accounting Policies have been selected and applied 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 at 31<sup>st</sup> March, 2017 and of the profit of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31<sup>st</sup> March, 2017 have been prepared on a going concern basis.
5. That internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively."

## **REMUNERATION**

As prescribed under Section 197(12) of the Companies Act, 2013 ("Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in Annexure I. In terms of provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees and other particulars, drawing remuneration in terms of the said Rules forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report, excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company.

## **BOARD MEETINGS**

During the year, five Board Meetings were held. The details of the meetings of the Board and its Committees are given in the Corporate Governance Report (Annexure 'C').

## **EVALUATION OF BOARD / BOARD COMMITTEES**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as evaluation of the working of its Committees.



## REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and other employees and their remuneration for implementation.

Broadly, the performance of the employee concerned and the performance of the Company are the fundamental parameters determining the remuneration payable to an employee. More specifically, there will be reciprocity in the matter of remunerating executive directors, KMPs and other employees.

At the middle and lower levels of management, the yardsticks of assessment are different. The ability to speedily execute policy decisions, sincerity and devotion and discipline are the main attributes expected.

## KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of the Company for the purpose of Companies Act, 2013 are Sri N.Srinivasan, Vice Chairman & Managing Director (Chief Executive Officer), Smt. Rupa Gurunath, Wholetime Director, Sri R.Srinivasan, Executive President (Finance & Accounts) (Chief Financial Officer) and Sri S.Sridharan, Company Secretary.

## PERSONNEL

Industrial relations continued to remain cordial during the year.

## AUDITORS

As per the provisions of Section 139 of the Companies Act, 2013, the term of office of M/s. Brahmayya & Co., and M/s. P.S.Subramania Iyer & Co., Chennai, as Statutory Auditors of the Company, will conclude from the close of the 71<sup>st</sup> Annual General Meeting of the Company. The Board of Directors places on record its appreciation for the valuable services rendered by M/s. Brahmayya & Co., and M/s. P.S.Subramania Iyer & Co., Chennai, as Statutory Auditors of the Company since its inception. Based on the recommendations of the Audit Committee, it is proposed to appoint M/s. K.S.Rao & Co., Chartered Accountants and M/s. S.Viswanathan, LLP, Chartered Accountants as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the 71<sup>st</sup> Annual General Meeting until the conclusion of the 76<sup>th</sup> Annual General Meeting, subject to the approval of shareholders.

## INTERNAL AUDITORS

M/s. Capri, Gopalaier & Subramanian, Kalyanasundaram & Associates and Bala & Co., Chennai, have been appointed as Internal Auditors for the year 2017-18.

## COST AUDITOR

Sri S.A.Murali Prasad, Cost Accountant, Chennai, has been appointed as Cost Auditor for the year 2017-18 at a remuneration of Rs. 17 lakhs. The remuneration is subject to ratification of members and hence is included in the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company.

## SECRETARIAL AUDITOR

Smt. P.R.Sudha, Practising Company Secretary, has been appointed as Secretarial Auditor of the Company for the year 2017-18.

Secretarial Auditor's Report in Form MR-3, as prescribed under Section 204(1) of the Companies Act, 2013 read with Rule-9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure 'L'. The Secretarial Audit Report does not contain any qualification, reservation or other remarks.

## ACKNOWLEDGMENT

The Directors are thankful to the Financial Institutions and the Bankers for their continued support. The Directors also thank the Central Government and the various State Governments for their support. The stockists continued their excellent performance during the year and the Directors are appreciative of this. The continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

N.SRINIVASAN  
Vice Chairman & Managing Director

On behalf of the Board

RUPA GURUNATH  
Wholetime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017

## ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[Information 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:

- (a) Continuous process diagnostic studies undertaken in one of the plants to improve outputs of various sections resulting in reduced power consumption.
- (b) Plant / Colony lighting replacements done with LED lamps to reduce consumption of energy.
- (c) Installation of variable frequency drives for various process fans / cooler fans to save power.
- (d) Capacitor banks improvements at various locations to improve the power factor and to reduce the penal charges.
- (e) Process compressed air optimization studies undertaken at all the plants to reduce power consumption.
- (f) Installation of dynamic separator in coal mill circuit at one of the plants to increase usage of Petcoke.
- (g) Raw mill grit separator dip tube dia increased resulting in increased output and reduced power.
- (h) ESP converted to Bag filters in most of the plants resulting in reduced emission and reduced power consumption.
- (i) Pre-heater cyclone gas inlet duct modified/venturi area increased resulting in reduction in pressure drop and improved outputs.
- (j) Dispersion plates renewed/modified at the pre-heater resulting in reduced power consumption.
- (k) Conventional burner replaced with multi-channel burner resulting in reduced start-up fuel.
- (l) Dip tube replaced at various stages in some of the plants resulting in reduction of pre-heater exit temperature.

#### (ii) The steps taken by the Company for utilizing alternate sources of energy:

- (a) The Company has been using power from the waste heat recovery system at one of its plants.
- (b) The Company also uses the power generated from Windmills.
- (c) Solar lights are also being installed replacing conventional lighting at the plants.
- (d) The Company uses alternative fuels at some of its plants depending upon the availability.

#### (iii) Further capital investment on energy conservation equipment:

- (a) Installation of new energy efficient Cement Grinding System at one of the plants replacing conventional ball mills.
- (b) Retrofitting the coolers with high efficiency coolers to reduce heat and the power consumption.
- (c) Conversion of Pneumatic conversion system to Belt Bucket Elevator system for silo feed as well as kiln feed to save on power.
- (d) Automation of packing and loading system to reduce manpower and to reduce power consumption.
- (e) Conversion of mechanical packers to electronic packers in the remaining locations to improve output and to save on power.
- (f) Replacement of old Hammer Crusher with modern crusher to improve the output and to reduce the power consumption.
- (g) Installation of Dynamic Separator in Coal Mill section in one of the plants to enable usage of alternate fuel
- (h) Replacement of top cyclone of the pre-heater with high efficiency cyclone to improve the output, reduce pressure drop and reduce power consumption.
- (i) Installation of Waste Heat Recovery System at one more plant to recover power at cheaper cost.
- (j) Closed circuiting of cement mills at two of the plants to improve the mill output and to reduce power consumption.
- (k) Installation of pre-grinder for the cement mill at one of the plants to substantially increase the mill output and quality and reduce power consumption.
- (l) Precalculator modification and upgradation of the coal mill for improving the output and for increasing alternate fuel usage.
- (m) Pre-heater 5<sup>th</sup> stage cyclone roof height adjustments to reduce pressure drop.

Impact of measures at (i) (ii) and (iii) above for reduction of energy consumption and consequent impact on cost of production of goods:

The above measures that have been undertaken/proposed to be undertaken are expected to reduce power by 15 K.cals and power consumption by 3 units per ton of cement.

### B. Technology Absorption:

Particulars given in Form 'A' annexed.

### C. Foreign exchange earnings and outgo:

- (a) Activities relating to exports, initiatives taken to increase exports, development of new exports markets for products & services and export plans:  
There was no significant export sale during the year under review.
- (b) Total foreign exchange used and earned:

|                    | Current Year | Previous Year |
|--------------------|--------------|---------------|
| Earned Rs. /Crores | 163.18       | 103.75        |
| Used Rs. /Crores   | 5.95         | 3.37          |

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholtime Director

N.SRINIVASAN  
Director

Place: Chennai

Date : 28<sup>th</sup> July, 2017



## FORM A

### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

#### Research and Development (R & D):

1. Specific areas in which R&D carried out by the Company
2. Benefits derived as a result of above R & D
3. Future plan of action
4. Expenditure on R & D:

The Company has started an in-house R&D department during December 1999 with a specified objective of carrying of R&D Projects in development of expert systems for the mills and kilns optimisation, Benchmark studies of our Cement Plants, optimisation of process systems and parameters ensuring product improvement and cost reduction.

(a) Capital : Nil

(b) Recurring : A sum of Rs.159.34 lakhs has been spent during the year for the functioning of R & D department. Besides this, a sum of Rs.19.06 lakhs is the contribution to National Council for Cement and Building Materials (NCCBM) which carries out Research on behalf of the Industry.

(c) Total : Rs.178.40 lakhs

(d) Total R&D expenditure as a percentage of total turnover : 0.03

#### Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of above efforts like product improvement, cost reduction, product development, import substitution, etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
  - (a) Technology imported
  - (b) Year of import
  - (c) Has technology been fully absorbed
  - (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action.

Not applicable

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholtime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017

## **ANNEXURE 'B' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **OVERVIEW OF THE ECONOMY**

As in the previous year, during the year under review (2016-17), the World Economy faced uncertainty due to political and economic upheavals in major economies and protectionist policies of leading economies aimed at boosting their domestic markets.

During the year, there was some recovery in world trade. But, with almost all advanced and emerging economies reporting weak economic activity, Global growth is estimated to have remained flat at 3.1 % in 2016.

#### **INDIAN ECONOMY WEATHERS DEMONETISATION**

In the first half of last fiscal, GDP growth sustained at over 7%. Global agencies like IMF and World Bank also viewed India a "bright spot", expecting it to record the highest GDP growth among major economies, on the back of stable macro-economic conditions.

As the economy was awaiting a broad based recovery and revival of private investment, the Government announced on November 8, 2016 demonetisation of Rs.500 and Rs.1000 notes from circulation.

The drastic measure led to a cash crunch, albeit temporarily, affecting economic activity and deferment of private consumption. This led to Global agencies like IMF predicting one per cent fall in GDP growth to 6.6 % in 2016-17, mainly due to temporary shock to consumption.

However, following the remonetisation measures undertaken by RBI and restoration of liquidity with new currency notes, the economic activity started slowly picking up. Official estimates by Central Statistical Office (CSO) showed that the economy had weathered the note ban storm with GDP growth marginally slowing down to 7% in the third quarter (Oct- Dec 2016).

The overall growth for last year is estimated to be slightly lower at 7.1% against the earlier projected growth of 7.6% before demonetisation. Economic Survey has pegged the growth to be lower at 6.5% for 2016-17 against 7.6% in the previous year.

#### **SECTORAL PERFORMANCE**

Buoyed by normal rainfall during South West monsoon season, agriculture and allied activity is estimated to have posted a higher growth of 4.1% last year against a mere 1.5% in 2015-16. At the same time, the deficit rainfall during the North East Monsoon season severely affected cultivation of crops and led to drought conditions in Tamil Nadu, Kerala and Southern Karnataka.

India's industrial output, as measured by the index of industrial production (IIP), recorded subdued growth for most part of last year. On a low base, it registered a sharp growth of 5.7% in November 2016. It rose to 2.7% in January, apparently shrugging off the impact of demonetization. However, on a cumulative basis, industrial growth during 2016-17 is estimated to have moderated to 5.2% against 7.4% in the previous year mainly due to the contraction in manufacturing, mining, capital goods and construction sectors.

The combined growth of eight core sectors including cement (which account for nearly 38% of the weight of items included in IIP), is estimated to have slightly expanded by 4.5% during 2016-17 as against 4% in the previous year.

It was the most challenging year for the cement sector mainly due to the decline in the launch of new housing projects in major cities affecting construction activity. According to official estimates, during 2016-17, cement industry witnessed a negative growth of 1.29% in terms of production over 2015-16. The industry produced 279.81 million tonnes of cement last year compared to 283.46 million tonnes in the previous year. The industry posted a positive growth in the first two quarters of last year but recorded negative growth in the next two quarters.

Saddled with high bad debt and weak corporate demand, credit growth plunged to a six decade low of 5% during 2016-17 against 10.7% year ago. With weak demand affecting capacity utilisation in a number of industries, there was delay in the revival of fresh investments in the private sector.

Growth in the services sector, which was driving the high GDP growth in the past, is estimated to have moderated to 8.8% last year from 8.9% growth clocked in 2015-16. The overall Gross Value Added (GVA) is estimated at 7% against 7.2% in 2015-16.

#### **EXPORTS / IMPORTS**

India's merchandise exports recovered from second half of last year to post double digit growth in February and March 2017.

Overall exports during 2016-17 was US\$ 274645.10 Million (Rs.1841314.39 crore) against US\$ 262290.11 Million (Rs.1716377.99 crore), registering a growth of 4.71 per cent in Dollar terms and 7.28 per cent in Rupee terms over the previous year.

On the other, the import during 2016-17 was US\$ 380367.65 Million (Rs.2550926.19 crore) against US\$ 381006.64 Million (Rs.2490298.03 crore), registering a negative growth of 0.17 per cent in Dollar terms and up by 2.43 per cent in Rupee terms over the previous year.





India's foreign exchange reserves surged by \$2.671 billion to \$366.781 billion during the year on account of increase in foreign currency assets. The Current account deficit, the gap between inflows and outflows, declined to 0.3% of GDP in the first half of last year. It jumped to a four quarter high of 1.4% of GDP in December 2016.

During April-December, CAD narrowed to 0.7% of GDP on the back of contraction in trade deficit due to steep fall in crude prices. The nominal value of Rupee, which was depreciating through most of FY 2017, has started appreciating in the last two months of financial year.

## FISCAL DEFICIT

Fiscal deficit, the gap between expenditure and revenue for the entire fiscal, has been pegged at Rs.5.33 lakh crore or 3.5 per cent of GDP in 2016-17. The Government has retained its fiscal deficit target at 3.5% despite the shortfall in proceeds from disinvestment and spectrum auctions. With fiscal discipline, targeting subsidies and higher tax collections, it is hoped to contain it at 3.2% in the current year and achieve the fiscal consolidation goal of 3% by next fiscal.

## INFLATION

During the year, inflationary pressure was seen building up. The annual rate of inflation in terms of Wholesale Price Index (WPI) stood at 5.53% as compared to 5.25% in the previous year. Inflation accelerated to its highest reading since November 2013 and it stood at 6.55% in February 2017. This was due to substantial increase in the prices of fuel & power and food inflation. WPI eased to 5.7% in March 2017.

Consumer Price Index (CPI) too edged up and the overall average for April-February 2017 was 4.6%. But, it is expected to remain within RBI mandated rate of 2 to 6%.

## CEMENT INDUSTRY

The Cement Industry continued to reel under pressure with practically nil growth in the consumption during the year, following a very meagre growth in the previous year. While, the industry has created a capacity of over 375 mn.tons/annum, according to DIPP, the production during the year was only 280 mn.tons, with an effective capacity utilisation of around 74-75%. As per the publication by DIPP, the industry had witnessed a negative growth of 1.2% during the year under review.

While, the cement plants in the North, West and Central regions of the country were able to clock a capacity utilisation of over 80%, according to the information available, the industry in the South, had a very low capacity utilisation of sub-60%. It has to be seen that the industry had a growth of over 5% in the first half of the year, while there was a negative growth in the second half, caused partially by the demonetisation exercise. With remonetisation having taken place, this trend is expected to reverse.

South has shown a growth of 7% in production during the year, despite a flat growth in the 4th quarter, driven primarily by the increase in the consumption in Andhra Pradesh, Telangana and Karnataka.

The price of petroleum products and fuel, which reached its lowest ebb in the first quarter of the year, started firming-up in the third quarter and increased substantially in the fourth quarter of the year, affecting the industry's margin considerably in this tight market situation.

The deficit monsoon during the year and near drought-like situation in the Southern states, together with restrictions on the availability of sand, also had its toll on the cement consumption.

With major agencies predicting a smart revival of the economy in 2017 and with several important pieces of legislation put in place to promote recovery and growth like Housing for all, Smart-cities, Broadening financial inclusion and with the passage of GST, it is expected that the overall cement demand in the country is likely to grow.

The industry, on its part, is also not lagging behind in its initiatives in adopting improved manufacturing technology, reducing power consumption, increasing the utilisation of blending materials & waste, thereby contributing for the environment.

## COMPANY PERFORMANCE

The performance of the company for the current year includes merged entity of Trinetra Cement Limited and is presented as a whole and hence are not comparable with previous year:

|                     | In Lakh Ts       |         |
|---------------------|------------------|---------|
|                     | 2016-17 (merged) | 2015-16 |
| Clinker production  | 81.91            | 64.83   |
| Cement production   | 108.14           | 84.31   |
| Cement sales        | 108.36           | 84.72   |
| Clinker sales       | 2.03             | 2.06    |
| Total overall sales | 110.39           | 86.78   |



The performance of the Company was better than peers in the South, with an improvement in the clinker production by 9.80% on a combined basis. The Company also explored export route better with improvement in the overall export in clinker and cement at 4.84 Lakh tons, as compared to 3.25 Lakh tons. The overall volume of cement and clinker including the merged unit has improved as above, registering a growth of 10.1% on a combined basis. The capacity utilisation of the company was at 70%, which was better than the industry average in the South. The performance of the company would have been better but for the disruption in consumption caused by cyclone Vardah and the prolonged agitations for Jallikattu affecting the normal activities in Tamilnadu during the last quarter.

With poor growth in the markets, the Company expanded its marketing horizon to West, East and Central markets of India, thereby ensuring additional marginal contribution. Despite operating at lower capacity level, the operating parameters and the power consumption were kept under check during the year. The Company also enhanced the usage of cost-effective petcoke in the overall fuel mix to 73% from 23% in the previous year. The blending efficiency has also improved during the year under review, paving the way for reduction in the operating cost and reduced emission levels. The selling price of cement, which remained firm in the first half of the year, showed aberrations in the second half of the year, resulting in the overall net realisation coming down by 7% during the year on a comparable basis.

#### **COST MITIGATION MEASURES / OTHER IMPROVEMENT MEASURES:**

The Company is committed to the conservation of biodiversity and in line with its philosophy of sustainable operations; it has taken lot of proactive steps.

- Additional bag filters have been provided replacing the ESPs to comply with the revised pollution norms relating to emissions.
- Through concerted efforts for reducing carbon emission, the clinker factor has been continuously improved through higher blending using fly-ash and other additives and the ratio has improved by 2% during the year under review.
- The waste generated from its thermal power plants at units by way of fly ash and others have also been recycled into the operations to reduce cost and to conserve atmosphere.
- The Company has started using low cost petcoke at increased levels after making necessary modifications, which has substantially reduced the cost of operations.
- The overall clinker output per day has further improved at Sankarnagar and Sankari during the year under review.
- Despite higher proportion of consumption from traditionally higher power consuming units, the overall power consumption was maintained at the last year levels with substantial reduction in power consumption in two of the Tamil Nadu units.
- The average cost of power was also brought down with sizable increase in the usage of power from its own thermal power plants with higher capacity utilization of the same.
- The Company during the year used 8030 lakh units of power from its various captive power sources, which constituted around 81% of its total power consumption. The operating efficiency of the thermal power plants has also improved during the year under review.
- The Company has also got the licenses to produce value added products like oil well cement and sleeper cement, which will also cater to the niche markets yielding higher contribution.

#### **GREEN ENERGY AND CLEAN DEVELOPMENT MECHANISM:**

- The Company had proactively installed wind mills of a capacity of 18.65 MW in Tamil Nadu, which have generated a quantum of 291 lakh units during the year, which has been used by the Company's plants in Tamil Nadu, which could be offset against the renewable energy purchase obligations.
- The unique waste heat recovery system at Vishnupuram also has contributed with 555 lakh units of power (572 lakh units), which was consumed by the Vishnupuram power plant at the cheapest cost.
- As part of low carbon technology road map for the Indian cement industry, the Company has been continuously striving to reduce the clinker content in cement and has also been on the lookout for other varieties of cement entailing minimum clinker usage.
- As part of emission control, the Company has been changing all its Electro Static Precipitators (ESPs) to high efficiency bag filters and Continuous Ambient Air Quality System Monitors have also been located at the strategic locations of its plants.
- Continuous online reporting of the emission levels are also being uploaded on Central and State Pollution Control Board's websites.
- The Company has also taken various steps for upgradation / modification of pollution control systems for controlling the fugitive emissions through Dust Extraction / Suppression Systems.
- The Company is committed to the cause of sustainable development through slew of measures taken for improvement of environment, biodiversity, mine rehabilitation and also for greener initiatives in and around all its plants.



## HEALTH AND SAFETY

The Company has a well-defined Safety, Health and Environment (SHE) Policy, which inter alia, contain the objectives, ownership and accountability. For shop floor employees and senior management executives' safety, frequent workshops on safety and health check-ups are being conducted to increase awareness. Frequent inspections are being carried out by respective statutory authorities on electrical and instrumentation safety to comply with the statutory requirements and to adopt the best practices.

Personal protective equipments have been provided for all the executives and staff and workers and stringent rules have been framed for strict adherence to this. Number of specialised outside programmes have been organised to enhance the health and safety consciousness, risk assessment, accident investigations etc. Daily safety prayer meetings are also conducted in a systematic way at all the locations.

Medical facilities have also been upgraded at all the plant locations to ensure primary level treatment, in addition to first aid and emergency care, duly supervised by qualified medical practitioners with ambulance at their end for emergency. The employee profile in the data system is also being upgraded to include the basic health details, blood group and the frequency of check-ups, through which the health of the employees is monitored in a systematic way.

Health and safety programmes are not necessarily confined to the employees and workers but also extends to the nearby villages as part of CSR. Frequent health check-up programmes are conducted to improve the health and hygiene as well as the welfare of the people through eye screening, supply of free spectacles / free cataract operations / hearing aids / medical and diabetes camps / drunkard rehabilitation schemes to name a few.

## BUSINESS RISKS AND OPPORTUNITIES

As mentioned earlier, the Company has got a detailed Risk Management Policy, which is well-defined to cover the various business risks and the mitigation process. The Board of Directors of the Company periodically review the risks and the action plans. The Policy encompasses all risks covering project, competition, raw materials, occupational health, hygiene, environmental, regulatory rules and operational risk of the business.

The primary risk faced by the industry in South, in particular, is the poor demand for cement in the last few years. From a level of steady growth of 8-9% in demand over 2 decades, the same had come down to practically nil and negative growth in the last 2 years and a marginal 6-7% growth during the current year in the South, basically caused by the poor economic growth, political disturbances and deficit in rainfall. However, with the Government push on infrastructure and with the massive housing scheme launched together with the forecast of IMF and RBI of a better tomorrow, it is expected that the economic growth will rebound from 2017, which in turn is expected to pave way for a better growth in demand for cement.

The Industry to a great extent depends on imported fuel and securing this fuel for the future is another risk factor, which needs to be addressed. Coal and petcoke are the main fuels used by the industry and the availability of the same of usable quality in India is very less. The international prices of such fuels are fluctuating so violently affecting the bottom line of the industry. The prices are also continuously on the upward trend since the second half of the last fiscal. The Company has partly mitigated this risk by securing mining rights in Indonesia, which will be used mainly in its thermal power plants for generation of power.

On the raw materials front, the non-availability of good quality gypsum at reasonable costs within the vicinity of the plants also leads to dependency on imported gypsum, the price of which is also subject to variations. The Company is sufficiently secured against this risk through contracts with nearby fertilizer plants for usage of its by-product chemical gypsum.

Ensuring raw material security is also a bigger challenge for the industry, as the current changes in the MMDR Act has complicated the process of procurement / mining of limestone, which necessitates securing the same through an auction. The Company has got adequate limestone reserves located nearer to the cement plants to take care of the requirements for the next several decades. The Company is also continuously scouting for additional availability of limestone to enhance the long-term security, taking into account, the future expansions at appropriate times.

To ensure continuous availability of fly-ash, the Company has taken proactive steps in installing collecting systems at the State-owned thermal plants situated near cement plants. However, the fluctuations in the price of fly-ash fixed by such thermal power plants is a risk and is expected to be revenue neutral with the passing of the same to the consumers.

Frequent fluctuations in the rupee-dollar exchange rate is also another cause for concern, as it increases the import burden of fuels. A portion of the same is mitigated through earnings from exports and the Company has also covered this through proper hedging mechanism at appropriate times.

Availability of continuous and quality power supply in the Southern grid has also been a concern for many years continuously and the Company has, in addition to the gas-based power plant at Ramanathapuram, Tamil Nadu, installed its own thermal plant in Tamil Nadu and Telangana to cater to its requirements. The unique waste heat recovery system to generate power from waste heat for 8.5 MW is also in place at its Vishnupuram plant. Besides the above, the Company has got the right to use the power from APGPCL for 21 MW and has installed wind mills for a capacity of 18.65 MW, which also supplement the power availability.

Import of cement into the country without any customs duty is also a risk factor. However given the present logistics costs and the handling costs in the ports, the same has not been experienced as a big risk, except in border States of India.

Another big risk for the industry is the logistics cost, which is fluctuating frequently. With the annual bout of increase by railways and with frequent fluctuations in the price of petroleum products, the logistics costs are varying widely throughout the year. The Company has developed dedicated fleet of transporters to ensure continuous availability at steady rates and also has got a small fleet of vehicles to cater to the needy areas in times of emergency. The Company judiciously uses the rail transport based on the cost economics.

Change in government policies / sudden action by government like demonetisation are also the external risk factors which are likely to have its impact on cement demand.

## **OUTLOOK**

Economic condition is expected to improve in major markets like the US, Europe besides in emerging economies like China, India and Indonesia. IMF has predicted a rise in global GDP growth to 3.4% in 2017 and 3.6% in 2018. WTO expects global merchandise trade to rebound in 2017 forecasting a growth of 2.4% compared to 1.3% in 2016.

For Indian economy also, 2017-18 is expected to be a year of turnaround with expected pick up in GDP growth to 7.6 to 7.7% as projected by IMF and World Bank. Economic Survey has also estimated growth in the range of 6.75% to 7.5%. In its latest monetary policy, RBI has projected that gross value added would strengthen to 7.4% in 2017-18 from 6.7% last year.

Demonetisation is said to have only had a transient impact on the Country's economic performance. Normal growth is envisaged going forward with the re-monetisation process releasing the pent-up and deferred demand.

## **COMPETITION COMMISSION**

The Competition Commission of India (CCI) imposed a penalty of Rs.187.48 crores on the Company (as well as other Companies) based on a Complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Competition Appellate Tribunal (COMPAT) allowed the appeal by the Company and remanded the same to Competition Commission for a fresh enquiry. The Competition Commission, which heard the matter afresh on remand imposed a penalty of Rs.187.48 crores by its Order dated 31.08.2016. Based on the advice of the Senior Advocates, the Company has filed an appeal before the COMPAT. The Company has deposited Rs.18.75 crores, based on the interim Order passed by the COMPAT as a condition precedent for grant of stay. The matter is pending before COMPAT.

## **HUMAN RESOURCES & INDUSTRIAL RELATIONS**

The industrial relations remained cordial throughout the year at all our plants. The Company is focussed on having least manpower at all its locations and has been continuously reducing the workforce through multitasking, automation etc. Various management development programmes are conducted for enhancing the skill level of employees, upgrade their talent to make them future managers. The company has also developed a very strong HR process and strategy to improve the overall organisational effectiveness and has performance appraisal system in place. The overall number of employees on the rolls of the company as at the end of the year under review was 2673.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has a well defined internal control system commensurate with size, scale and complexity of operation to support the business operations to ensure statutory compliance. External auditors carry out concurrent audit of all the plants and offices which adds to the stability of the internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. The Company has a strong system of budgetary control which covers all aspects of operations, finance, capital expenditure at macro level and on a monthly basis reported directly to top management. All the physical performances and efficiency parameters are monitored on a daily basis and actions are taken then and there. The Company has an Audit Committee of Board of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 177 of the Companies Act, 2013 besides other assignments referred to by the Board of Directors from time to time.



## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### HIGHLIGHTS OF FINANCIAL PERFORMANCE

The performance of the company for the current year includes the operations of merged entities of Trinetra Cement Ltd. and Trishul Concrete Products Ltd and hence are not comparable with previous year figures.

|                                          | Rs. Crore |         |
|------------------------------------------|-----------|---------|
|                                          | 2016-17   | 2015-16 |
| Net Sales / Income from operations       | 5777.52   | 4811.43 |
| Other Income                             | 16.51     | 22.16   |
| Total Income                             | 5794.03   | 4833.59 |
| Total Expenditure                        | 4916.49   | 4035.99 |
| Operating Profit                         | 877.54    | 797.60  |
| Operating Margin %                       | 15.15%    | 16.50%  |
| Interest & Finance Charges               | 360.46    | 382.50  |
| Depreciation                             | 257.06    | 219.46  |
| Profit / (Loss) before Exceptional items | 260.02    | 195.64  |
| Exceptional items                        | –         | 3.20    |
| Profit / (Loss) before tax               | 260.02    | 192.44  |
| Current Tax                              | 53.71     | 60.36   |
| MAT Credit entitlement                   | (53.71)   | (27.11) |
| Deferred Tax (Net)                       | 86.67     | 29.24   |
| Profit / (Loss) after tax                | 173.35    | 129.95  |
| Other Comprehensive income (net)         | (5.47)    | –       |
| Total Comprehensive income               | 167.88    | 129.95  |

As earlier mentioned, the figures are not comparable on account of merger of the units during the current year. However, the total income was higher on account of the merger of Trinetra Cement Ltd and Trishul Concrete Products Ltd. with the Company. The interest and financial charges were lower on account of repayments and also refinancing exercise undertaken during the current year. The depreciation was higher on account of the mergers and the consequent profit was also higher due to the same reason as mentioned above. In view of the carry forward loss of Trinetra Cement Ltd, there was only provision for deferred taxation during the current year and consequent net profit after tax was higher than that of previous year.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

N.SRINIVASAN  
Vice Chairman & Managing Director

On behalf of the Board

RUPA GURUNATH  
Wholetime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017

## ANNEXURE 'C' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### CORPORATE GOVERNANCE

(As required by Schedule (V) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

#### A. MANDATORY REQUIREMENTS

##### 1] Company's Philosophy:

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, consistently over a sustained period of time.

##### 2] Board of Directors:

The Board has 12 members consisting of a Vice Chairman & Managing Director and a Wholtime Director, seven Independent Directors and three Non-executive directors of whom two have been nominated by IDBI Bank Limited and Life Insurance Corporation of India respectively.

The Board functions both as a full Board and through Committees. The Board and Committees meet at regular intervals. The Board has constituted seven Committees viz., Audit Committee, Share Transfer Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Compensation Committee and Committee of Directors.

During the year 2016-2017, five Board Meetings were held on 26.05.2016, 18.08.2016, 29.08.2016, 19.11.2016 and 27.01.2017. The composition of the Board, attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee memberships are given below:

| Sl. No. | Name of the Director                                                                                                        | Category of Directorship               | No. of Board meetings attended (From 01.04.16 to 31.03.17) | Attendance at last AGM | No. of other Directorships held in public companies | No. of Membership (M) / Chairmanship (C) in other Board Committee(s)* |
|---------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------------------------|------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|
|         |                                                                                                                             |                                        |                                                            |                        |                                                     | (As on 31/03/2017)                                                    |
| 1.      | Sri N.Srinivasan<br>Vice Chairman & Managing Director                                                                       | Promoter,<br>Executive Director        | 5                                                          | Yes                    | 7                                                   | 2 (C)                                                                 |
| 2.      | Smt. Chitra Srinivasan                                                                                                      | Promoter,<br>Non-Executive Director    | 5                                                          | Yes                    | Nil                                                 | Nil                                                                   |
| 3.      | Smt. Rupa Gurunath<br>Wholtime Director                                                                                     | Promoter,<br>Executive Director        | 5                                                          | Yes                    | 6                                                   | 2 (M) & 1 (C)                                                         |
| 4.      | Sri Arun Datta                                                                                                              | Independent,<br>Non-Executive Director | 4                                                          | Yes                    | 3                                                   | 2 (M)                                                                 |
| 5.      | Sri K.Balakrishnan <sup>*1</sup>                                                                                            | Independent,<br>Non-Executive Director | 2                                                          | NA                     | Nil                                                 | Nil                                                                   |
| 6.      | Sri S.Balasubramanian<br>Adityan                                                                                            | Independent,<br>Non-Executive Director | 5                                                          | Yes                    | Nil                                                 | Nil                                                                   |
| 7.      | Sri N.R.Krishnan                                                                                                            | Independent,<br>Non-Executive Director | 5                                                          | Yes                    | 7                                                   | 2 (M) & 5 (C)                                                         |
| 8.      | Sri M.R.Kumar <sup>*2</sup><br>Nominee of Life Insurance<br>Corporation of India in its capacity<br>as Lender / Shareholder | Non-Executive Director                 | 2                                                          | No                     | 1                                                   | 2 (M)                                                                 |



| Sl. No. | Name of the Director                                                                                                   | Category of Directorship            | No. of Board meetings attended (From 01.04.16 to 31.03.17) | Attendance at last AGM | No. of other Directorships held in public companies | No. of Membership (M) / Chairmanship (C) in other Board Committee(s)* |
|---------|------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------|------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|
|         |                                                                                                                        |                                     |                                                            |                        | (As on 31/03/2017)                                  |                                                                       |
| 9.      | Sri V.Manickam                                                                                                         | Independent, Non-Executive Director | 5                                                          | Yes                    | 5                                                   | 4 (M)                                                                 |
| 10.     | Sri Rabinarayan Panda<br>Nominee of IDBI Bank Ltd.,<br>in its capacity as Lender                                       | Non-Executive Director              | 5                                                          | Yes                    | 1                                                   | Nil                                                                   |
| 11.     | Sri V.Ranganathan <sup>*3</sup>                                                                                        | Independent, Non-Executive Director | 3                                                          | NA                     | Nil                                                 | Nil                                                                   |
| 12.     | Sri N.Srinivasan (F&R)                                                                                                 | Independent, Non-Executive Director | 5                                                          | Yes                    | 6                                                   | 3 (C) & 3 (M)                                                         |
| 13.     | Sri Basavaraju <sup>*4</sup><br>Nominee of Life Insurance Corporation of India in its capacity as Lender / Shareholder | Non-Executive Director              | NA                                                         | NA                     | NA                                                  | NA                                                                    |
| 14.     | Sri PL. Subramanian <sup>*5</sup>                                                                                      | Non-Executive Director              | 1                                                          | NA                     | NA                                                  | NA                                                                    |
| 15.     | Sri R.K.Das <sup>*6</sup>                                                                                              | Independent, Non-Executive Director | 1                                                          | NA                     | NA                                                  | NA                                                                    |

\* Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose.

<sup>\*1</sup> Appointed as Independent Director of the Board w.e.f. 29.08.2016.

<sup>\*2</sup> Appointed as a Director of the Board w.e.f. 26.05.2016.

<sup>\*3</sup> Appointed as Independent Director of the Board w.e.f. 29.08.2016.

<sup>\*4</sup> Ceased to be a Director of the Board w.e.f. 12.04.2016, consequent to his resignation and withdrawal of nomination by Life Insurance Corporation of India.

<sup>\*5</sup> Ceased to be a Director of the Board w.e.f. 17.06.2016.

<sup>\*6</sup> Ceased to be a Director of the Board w.e.f. 24.06.2016.

#### Disclosure of relationship between directors inter-se:

Smt. Chitra Srinivasan and Smt. Rupa Gurunath are related to Sri N.Srinivasan, Vice Chairman & Managing Director of the Company and are also related to each other. No other director is related to them or each other.

#### Independent Directors:

During the year, Sri K.Balakrishnan and Sri V.Ranganathan, have been appointed as Independent Directors by the Board of Directors at its meeting held on 29.08.2016, in terms of Section 149(4) of the Companies Act, 2013.

The Board has framed a 'Code for Independent Directors' as required under the Companies Act, 2013. Independent Directors are issued Letters of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

During the financial year 2016-2017, Independent Directors met once i.e., on 27.01.2017.



The composition of and attendance at Committee of Independent Directors meeting are given below:

| Sl. No. | Name of the Member                | No. of Meetings held | No. of Meetings attended |
|---------|-----------------------------------|----------------------|--------------------------|
| 1.      | Sri N. Srinivasan (F&R), Chairman | 1                    | 1                        |
| 2.      | Sri Arun Datta                    | 1                    | -                        |
| 3.      | Sri K.Balakrishnan <sup>#</sup>   | 1                    | -                        |
| 4.      | Sri S.Balasubramanian Adityan     | 1                    | 1                        |
| 5.      | Sri R.K.Das <sup>*</sup>          | NA                   | NA                       |
| 6.      | Sri N.R.Krishnan                  | 1                    | 1                        |
| 7.      | Sri V.Manickam                    | 1                    | 1                        |
| 8.      | Sri V.Ranganathan <sup>#</sup>    | 1                    | 1                        |

<sup>#</sup> Appointed as an Independent Director w.e.f. 29.08.2016.

<sup>\*</sup> Ceased to be a Director w.e.f. 24.06.2016.

#### **Familiarisation programmes imparted to independent directors:**

The Company has a familiarisation programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the Cement Industry, the business models of the Company etc. and the details of the same are available on the website of the Company.

At the time of appointing Independent Directors, an Appointment Letter incorporating their role, duties and responsibilities and the various terms and conditions of their engagement is issued for the acceptance of the Independent Directors.

When a new Independent Director is appointed the Vice Chairman & Managing Director and Key Managerial Personnel of the Company brief him on the functioning of the Board and the nature of operations of the Company.

Independent Directors are provided with a copy of the latest Memorandum and Articles of Association of the Company, Company's in-house journal "Compass", the latest Annual Report, India Cements Code of Conduct for Directors and Senior Management and ICL Code of Conduct for prevention of Insider Trading and details of various Committees of the Board.

Independent Directors are also advised from time to time, of the compliances required from them under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and other relevant rules and regulations.

The provision of access to senior managerial personnel at Board / Board Committee meetings enables Independent Directors to interact with them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality and risk management and such other areas as may arise from time to time.

The Senior Management also makes presentations on different areas to the Board / Board Committees for informed appreciation of issues being discussed.

Audio / visual presentations on operations are made to the Board / Audit Committee at the meetings.

### **3] Audit Committee:**

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18 (3) of Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

The Audit Committee met four times during the year i.e., on 26.05.2016, 18.08.2016, 19.11.2016 and 27.01.2017.

The composition of and attendance at Audit Committee meetings are given below:

| Sl. No. | Name of the Member                          | No. of Meetings held | No. of Meetings attended |
|---------|---------------------------------------------|----------------------|--------------------------|
| 1.      | Sri N.Srinivasan (F&R), Chairman            | 4                    | 4                        |
| 2.      | Sri Arun Datta                              | 4                    | 3                        |
| 3.      | Sri S.Balasubramanian Adityan <sup>*1</sup> | 3                    | 3                        |
| 4.      | Sri R.K. Das <sup>*2</sup>                  | 1                    | 1                        |

<sup>\*1</sup> Appointed as an Independent Director w.e.f. 26.05.2016.

<sup>\*2</sup> Ceased to be a Director w.e.f. 24.06.2016.

The Company Secretary is also Secretary to the Audit Committee.

There has been no instance, where the Board has not accepted any recommendation of Audit Committee.





#### 4] **Nomination and Remuneration Committee & Policy:**

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned under Regulation 19 (4) of Listing Regulations and Section 178 of the Companies Act, 2013 read with Rules framed thereunder.

During the year 2016-2017, Nomination and Remuneration Committee met four times i.e., on 26.05.2016 (twice), 27.07.2016 and 29.08.2016 to consider and recommend to the Board on managerial remuneration, appointment of Directors and Key Managerial Personnel.

The composition of and attendance at Nomination and Remuneration Committee meetings are given below:

| Sl. No. | Name of the Member         | No. of Meetings held | No. of Meetings attended |
|---------|----------------------------|----------------------|--------------------------|
| 1.      | Sri N.R.Krishnan, Chairman | 4                    | 4                        |
| 2.      | Sri Arun Datta             | 4                    | 4                        |
| 3.      | Sri N.Srinivasan (F&R)     | 4                    | 4                        |

#### **Performance evaluation criteria for Independent Directors**

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

#### 5] **Remuneration to Directors:**

##### **Details of remuneration paid to the Directors for the year ended 31<sup>st</sup> March, 2017:**

##### **(i) Executive Directors:**

The two executive Directors (Managing Director and Wholetime Director) are paid remuneration as decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Board, with the approval of Shareholders and other necessary approvals.

There are no stock options available / issued to the Managing Director or Wholetime Director.

##### **Details of remuneration paid to the Executive Directors for the year ended 31<sup>st</sup> March, 2017:**

(Rs. Lakhs)

| Name & Position                                          | Salary | Perquisites & allowances | Provident Fund | Retirement Benefits | Commission | Others | Total   |
|----------------------------------------------------------|--------|--------------------------|----------------|---------------------|------------|--------|---------|
| Sri N.Srinivasan<br>Vice Chairman &<br>Managing Director | 564.00 | 169.20                   | 67.68          | 108.10              | 400.00     | 6.35   | 1315.33 |
| Smt. Rupa Gurunath<br>Wholetime Director                 | 150.00 | 45.00                    | 18.00          | 28.75               | 200.00     | 0.00   | 441.75  |
| Total                                                    | 714.00 | 214.20                   | 85.68          | 136.85              | 600.00     | 6.35   | 1757.08 |

##### **(ii) Non-Executive Directors:**

Remuneration by way of sitting fees is paid to all non-executive directors at the rate of Rs.20,000/- for attending each meeting of the Board and Rs.10,000/- for attending each committee meeting.

Particulars of sitting fees including for committee meetings paid to non-executive directors during the financial year 2016-2017 and equity shares of the Company held by them as on 31<sup>st</sup> March 2017 are as follows:

| Name of the Director                          | Sitting Fees Paid (Rs.) | No. of Equity Shares |
|-----------------------------------------------|-------------------------|----------------------|
| Smt. Chitra Srinivasan                        | 100000                  | 78580                |
| Sri Arun Datta                                | 180000                  | 4000                 |
| Sri S.Balasubramanian Adityan                 | 140000                  | 20000                |
| Sri K.Balakrishnan                            | 40000                   | 8500                 |
| Sri M.R.Kumar (Paid to LIC of India)          | 40000                   | Nil                  |
| Sri R.K.Das                                   | 30000                   | NA                   |
| Sri N.R.Krishnan                              | 170000                  | Nil                  |
| Sri V.Manickam                                | 110000                  | Nil                  |
| Sri Rabinarayan Panda (Paid to IDBI Bank Ltd) | 100000                  | Nil                  |
| Sri V.Ranganathan                             | 80000                   | Nil                  |
| Sri N.Srinivasan (F&R)                        | 290000                  | Nil                  |
| Sri PL.Subramanian                            | 20000                   | NA                   |

No remuneration other than sitting fee as aforesaid is paid to non-executive Directors. There has been no pecuniary relationship or transactions between the Company and non-executive Directors during the year 2016-2017. There are no stock options available/issued to any non-executive Director of the Company. There are no convertible instruments issued to any of the non-executive Directors of the Company.

**6] a) Stakeholders Relationship Committee:**

During the year 2016-2017, 95 complaints were received from shareholders and investors. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts / Forums where they are pending.

During the financial year 2016-2017, the Stakeholders Relationship Committee met 4 times i.e., on 26.05.2016, 18.08.2016, 19.11.2016 and 27.01.2017. The composition of and attendance at the Stakeholders Relationship Committee meetings are given below:

| Sl. No. | Name of the Member       | No. of Meetings held | No. of Meetings attended |
|---------|--------------------------|----------------------|--------------------------|
| 1.      | Sri Arun Datta, Chairman | 4                    | 3                        |
| 2.      | Sri N.Srinivasan         | 4                    | 4                        |
| 3.      | Smt. Rupa Gurunath       | 4                    | 4                        |

Sri S.Sridharan, Company Secretary is the Compliance Officer.

**b) Corporate Social Responsibility (CSR) Committee:**

In terms of Section 135 of the Companies Act, 2013, the Board of Directors constituted a CSR Committee for formulating and monitoring CSR Policy / Activities.

During the financial year 2016-2017, the CSR Committee met once i.e., on 14.07.2016 to consider and approve CSR budget for CSR activities for the year 2016-17. The composition of and attendance at CSR Committee meeting are given below:

| Sl. No. | Name of the Member         | No. of Meetings held | No. of Meetings attended |
|---------|----------------------------|----------------------|--------------------------|
| 1.      | Sri N.Srinivasan, Chairman | 1                    | 1                        |
| 2.      | Sri N.R.Krishnan           | 1                    | 1                        |
| 3.      | Sri N.Srinivasan (F&R)     | 1                    | 1                        |



**c] Share Transfer Committee:**

All shares received for transfer were registered in favour of transferees and certificates despatched within prescribed time, wherever the documents received were in order and complete.

During the year 2016-2017, 4,573 Equity Shares were transferred in physical mode in favour of transferees and share certificates were despatched within prescribed time from the date of receipt.

During the financial year 2016-2017, the Committee met 8 times. The composition of and attendance at the Share Transfer Committee meetings are given below:

| Sl. No. | Name of the Member         | No. of Meetings held | No. of Meetings attended |
|---------|----------------------------|----------------------|--------------------------|
| 1.      | Sri N.Srinivasan, Chairman | 8                    | 8                        |
| 2.      | Sri N.Srinivasan (F&R)     | 8                    | 8                        |
| 3.      | Smt.Rupa Gurunath          | 8                    | 8                        |

**d] Compensation Committee of Board of Directors:**

Compensation Committee of Board of Directors has been constituted for administration of Employees Stock Option Scheme. During the year, the Board of Directors at its meeting held on 19.11.2016, reconstituted the Compensation Committee with the following members.

The Compensation Committee at its meeting held on 15th March, 2017 approved the 'Employees Stock Option Scheme, 2016' (Scheme) and granted 18.35 lakh stock options to certain eligible employees of the Company, effective from 01.04.2017. In terms of this Scheme, options granted to employees will vest on 1st April 2018. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paid-up for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1st April, 2019 in not more than two tranches.

The present Composition of and attendance at the Compensation Committee of Board of Directors are given below:

| Sl. No. | Name of the Member               | No. of Meetings held | No. of Meetings attended |
|---------|----------------------------------|----------------------|--------------------------|
| 1.      | Sri N.Srinivasan (F&R), Chairman | 1                    | 1                        |
| 2.      | Sri S.Balasubramanian Adityan    | 1                    | —                        |
| 3.      | Sri N.R.Krishnan                 | 1                    | 1                        |
| 4.      | Sri V.Ranganathan                | 1                    | 1                        |

**e] Committee of Directors:**

Committee of Directors has been constituted for purpose of issuing securities. No meeting was held during the year 2016-17. The composition of the Committee of Directors is given below:

| Sl. No. | Name of the Member         |
|---------|----------------------------|
| 1.      | Sri N.Srinivasan, Chairman |
| 2.      | Sri N.R.Krishnan           |
| 3.      | Sri N.Srinivasan (F&R)     |

**7] a] Annual General Meetings:**

The last three Annual General Meetings were held as under:

| Year | Type | Location                                                                                 | Date       | Time       | Special Resolutions passed in the AGM by the Shareholders |
|------|------|------------------------------------------------------------------------------------------|------------|------------|-----------------------------------------------------------|
| 2014 | AGM  | IMAGE Auditorium, No. 3, Thandavarayan Street, MRC Nagar, R.A. Puram, Chennai - 600 028. | 26.12.2014 | 9.15 A.M.  | Yes                                                       |
| 2015 | AGM  | Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.        | 07.12.2015 | 9.30 A.M.  | Yes                                                       |
| 2016 | AGM  |                                                                                          | 29.08.2016 | 10.00 A.M. | Yes                                                       |

No item of business requiring voting by postal ballot is included in the Notice convening the 71<sup>st</sup> Annual General Meeting of the Company.

**b] Postal Ballot:**

During the year, the Company had conducted voting by postal ballot including e-Voting seeking the consent of the members by way of special resolutions for the following item of business as set out in the Notice dated 10.12.2016, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations. The Board appointed Smt. P.R.Sudha, Practicing Company Secretary, as the Scrutinizer for conducting the voting through postal ballot in a fair and transparent manner. The Scrutinizer gave her Report and on the basis of the said Report, the results of the Postal Ballot in respect of the resolutions had been declared as passed with requisite majority on 30.01.2017.

| Particulars                                                                                                                                                                                        | No. of votes polled | Votes cast   |       |              |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|-------|--------------|-------|
|                                                                                                                                                                                                    |                     | In favour    |       | Against      |       |
|                                                                                                                                                                                                    |                     | No. of votes | %     | No. of votes | %     |
| Special Resolutions under Section 62(1)(b) of the Companies Act, 2013 and the Rules made thereunder for issue of equity shares to employees under Employees Stock Option Scheme, 2016 (ESOS-2016). | 211093704           | 173493364    | 82.19 | 37600340     | 17.81 |

**8] Means of Communication:**

Quarterly and annual financial results are published in the pro-forma prescribed by Stock Exchanges, in leading English newspapers "Business Line" & "Business Standard" and Tamil newspaper "Dinamani". The annual financial results of the Company are also communicated in the prescribed pro-forma to Stock Exchanges. The said financial results and press releases are displayed on the Company's website "www.indiacements.co.in".

**9] General Information for Shareholders:**

- (a) Date, Time and Venue of the Annual General Meeting : 4<sup>th</sup> September, 2017 at 1.30 P.M. at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K.Road, Alwarpet, Chennai 600018.
- (b) Financial year 1<sup>st</sup> April to 31<sup>st</sup> March (Provisional) : Will be published on or before:
- Results for Quarter ending June 30, 2017 : 14<sup>th</sup> August, 2017
- Results for Quarter ending September 30, 2017 : 14<sup>th</sup> November, 2017
- Results for Quarter ending December 31, 2017 : 14<sup>th</sup> February, 2018
- Results for Quarter ending March 31, 2018 (audited) : 30<sup>th</sup> May, 2018
- (c) Dates of Book Closure : 29<sup>th</sup> August, 2017 to 4<sup>th</sup> September, 2017 (both days inclusive)
- (d) Dividend payment date : on or before 3<sup>rd</sup> October, 2017

**(e) Listing on Stock Exchanges:**

- I a) The Company's Equity Shares are listed on the following Stock Exchanges:
- i) BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Stock Code : 530005)
- ii) National Stock Exchange of India Limited, Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 (Stock Code EQ: INDIACEM )
- b) Company's Equity Shares are traded in Group "A" category in BSE Limited.
- c) The Company has paid the Listing Fees for the year 2017-18 to BSE Limited and National Stock Exchange of India Limited where the Company's equity shares are listed.



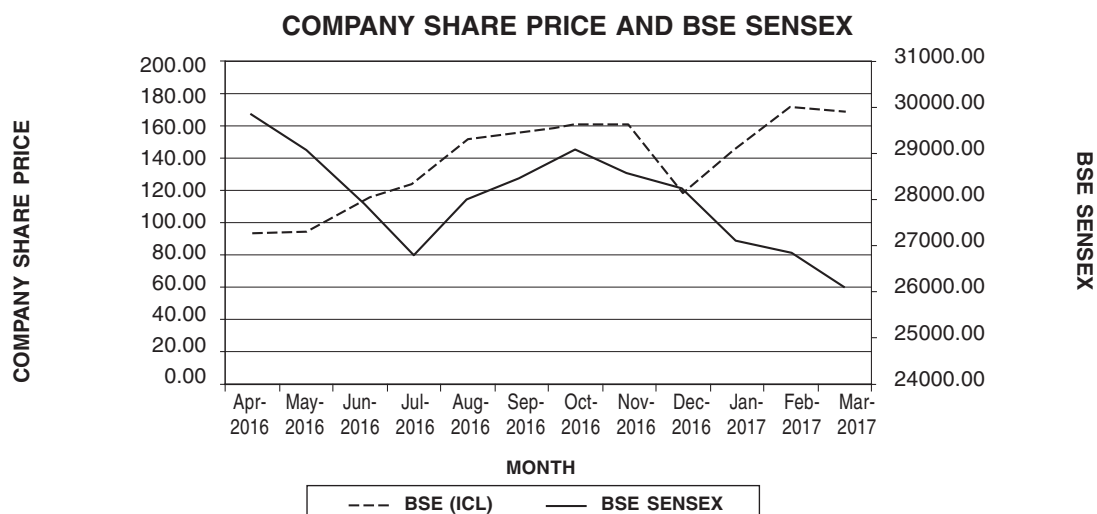
- II The Company's Global Depository Shares (GDSs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2017 has been paid.
- III The equity shares of the Company have been included in the list of equity shares on which derivatives are available for trading in futures and options segment by National Stock Exchange of India Limited and BSE Limited.

**(f) Market Price Data:**

(In Rupees)

| Month          | BSE Limited |        | National Stock Exchange of India Limited |        |
|----------------|-------------|--------|------------------------------------------|--------|
|                | High        | Low    | High                                     | Low    |
| April 2016     | 95.90       | 83.80  | 95.90                                    | 83.60  |
| May 2016       | 95.10       | 83.05  | 95.15                                    | 83.00  |
| June 2016      | 114.30      | 92.55  | 114.30                                   | 92.50  |
| July 2016      | 126.00      | 110.80 | 126.10                                   | 107.50 |
| August 2016    | 154.00      | 115.45 | 153.95                                   | 115.45 |
| September 2016 | 156.30      | 138.35 | 156.40                                   | 138.00 |
| October 2016   | 164.00      | 144.50 | 164.20                                   | 145.00 |
| November 2016  | 162.55      | 104.65 | 162.70                                   | 104.30 |
| December 2016  | 120.40      | 105.10 | 120.70                                   | 105.10 |
| January 2017   | 149.10      | 117.40 | 148.95                                   | 118.15 |
| February 2017  | 173.85      | 144.80 | 173.80                                   | 144.75 |
| March 2017     | 171.60      | 153.40 | 171.75                                   | 153.00 |

**(g) Stock price performance in comparison to BSE SENSEX:**



(h) There was no suspension from trading in equity shares of the Company during the year 2016-17.

**(i) Registrar and Share Transfer Agent:**

The Company has appointed Integrated Registry Management Services Private Limited (formerly Integrated Enterprises (India) Limited) as Registrar and Share Transfer Agent (RTA). Shareholders / Investors / Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA at the following address:

Integrated Registry Management Services Private Limited

2<sup>nd</sup> Floor, "Kences Towers", No.1, Ramakrishna Street

North Usman Road, T. Nagar, Chennai - 600017.

Phone : 044-28140801 to 28140803; Fax: 044-28142479

Email: corpserve@integratedindia.in

**(j) Share Transfer System:**

Shares lodged in physical form with the Company / RTA are processed and returned, duly transferred, within prescribed time from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants.

**(k) a) Distribution of Shareholding as on 31<sup>st</sup> March, 2017:**

| No. of<br>Shares held | No. of<br>Shareholders | % of<br>Shareholders | No. of<br>Shares held | % of<br>Shareholding |
|-----------------------|------------------------|----------------------|-----------------------|----------------------|
| Up to 500             | 96544                  | 90.25                | 10761871              | 3.50                 |
| 501 to 1000           | 5424                   | 5.07                 | 4412819               | 1.44                 |
| 1001 to 2000          | 2442                   | 2.28                 | 3732033               | 1.22                 |
| 2001 to 3000          | 795                    | 0.74                 | 2062000               | 0.67                 |
| 3001 to 4000          | 365                    | 0.34                 | 1306429               | 0.43                 |
| 4001 to 5000          | 356                    | 0.33                 | 1691450               | 0.55                 |
| 5001 to 10000         | 437                    | 0.41                 | 3297996               | 1.07                 |
| 10001 and above       | 615                    | 0.58                 | 279914059             | 91.12                |
| <b>TOTAL</b>          | <b>106978</b>          | <b>100.00</b>        | <b>307178657 *</b>    | <b>100.00</b>        |

**b) Pattern of Shareholding as on 31<sup>st</sup> March, 2017:**

| Category                                                      | No. of Shares      | %             |
|---------------------------------------------------------------|--------------------|---------------|
| Promoters                                                     | 86933388           | 28.30         |
| Mutual Funds                                                  | 44265745           | 14.41         |
| Alternate Investment Funds                                    | 580000             | 0.19          |
| Foreign Portfolio Investors & Foreign Institutional Investors | 77140031           | 25.11         |
| Financial Institutions/ Banks                                 | 938405             | 0.31          |
| Insurance Companies                                           | 19133602           | 6.23          |
| Bodies Corporate                                              | 29143336           | 9.49          |
| Resident Individuals                                          | 40314040           | 13.12         |
| NRI & Foreign Nationals                                       | 1688436            | 0.55          |
| Overseas Corporate Bodies                                     | 500                | 0.00          |
| Corporate Body-Foreign Bodies                                 | 495448             | 0.16          |
| GDSs                                                          | 1721444            | 0.56          |
| Clearing Member                                               | 3684631            | 1.20          |
| Limited Liability Partnership                                 | 52251              | 0.02          |
| Hindu Undivided Family                                        | 1021072            | 0.33          |
| Trusts                                                        | 66328              | 0.02          |
| <b>Total</b>                                                  | <b>307178657 *</b> | <b>100.00</b> |

\* Excludes 974417 equity shares issued for allotment to the Shareholders of Trinetra Cement Limited and Trishul Concrete Products Limited, the amalgamated companies.



**(l) Dematerialisation of Equity Shares and Liquidity:**

As on 31<sup>st</sup> March, 2017, 99.55% of the Company's Equity Shares have been dematerialized.

As per directives issued by SEBI, it is compulsory to trade in the Company's shares in the dematerialised form with effect from 29th November, 1999. The ISIN Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Company's shares in Demat form is INE383A01012.

During the year 2016-2017, the Company had received 120 requests for dematerialisation of shares. The Company has acted upon all valid requests received for dematerialisation during the year 2016-2017.

**(m) Outstanding GDRs / ADRs / Warrants or any Convertible Debentures, conversion date and likely impact on equity shares as on 31<sup>st</sup> March, 2017:**

8,60,722 GDSs are outstanding. Each GDS represents two underlying equity shares of Rs.10/- each (17,21,444 underlying shares represented by GDS constitutes 0.56% of total paid-up equity share capital).

**Employees Stock Option Scheme, 2006:**

Out of 14,82,000 options granted to employees under India Cements Employees Stock Option Scheme, 2006 -

- 14,22,000 options were exercised by the employees and equal number of shares were allotted to them;
- 48,500 options were expired; and
- 11,500 options lapsed since the same were not exercised.

No fresh options have been granted under India Cements Employees Stock Option Scheme, 2006 during the financial year.

No options at all have been granted under India Cements Employees Stock Option Scheme, 2007.

**Employees Stock Option Scheme, 2016:**

18,35,000 stock options were issued to eligible employees under Employees Stock Option Scheme, 2016. In terms of the Scheme, the options granted on 01.04.2017 shall vest with option holders on 01.04.2018. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paid up for a sum of Rs.50/- (inclusive of premium of Rs.40/-). The exercise of options shall be in not more than two tranches within a period of one year from the date of the vesting of the options (i.e.,) from 01.04.2018.

**(n) Commodity price risk or Foreign exchange risk and hedging activities :**

Hedging strategy in respect of the Buyers' Credit in foreign currency are taken as per hedging policy of the Company and in consultation with the bankers and other forex experts, based on the prevailing market conditions, duly taking into account the cost of hedging and any foreign currency receivables by the Company.

**(o) Plant Locations:**

|                                                 |                                              |
|-------------------------------------------------|----------------------------------------------|
| Sankarnagar, Tirunelveli District, Tamil Nadu   | Chilamakur, Kadapa District, Andhra Pradesh  |
| Sankari, Salem District, Tamil Nadu             | Yerraguntla, Kadapa District, Andhra Pradesh |
| Dalavoi, Ariyalur District, Tamil Nadu          | Vishnupuram, Nalgonda District, Telangana    |
| Vallur Village, Tiruvallur District, Tamil Nadu | Malkapur, Ranga Reddy District, Telangana    |
| Nokhla Village, Banswara District, Rajasthan    | Ready mix concrete units at Tamil Nadu,      |
| Parli Vajinath, Beed District, Maharashtra      | Karnataka and Telangana                      |

**(p) Address for Correspondence**

: The India Cements Limited,

**Registered Office:**

"Dhun Building", 827, Anna Salai, Chennai 600 002.

**Corporate Office:**

"Coromandel Towers", 93, Santhome High Road,  
Karpagam Avenue, R.A. Puram, Chennai - 600 028.

Tel. No. : (091) (044) 28521526 / 28572100 / 400

Fax No. : (091) (044) 28517198

**Corporate Identity Number**

: L26942TN1946PLC000931

**Website**

: www.indiacements.co.in

**For Investor Complaints**

Contact Person

: Sri S. Sridharan, Company Secretary

Email-Id

: investor@indiacements.co.in



## 10] Other Disclosures:

- a) There are no significant Related Party transactions during the year of material nature with the promoters, directors or relatives or Key Managerial Personnel etc., potentially conflicting with Company's interests at large. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.
- b) There were no instances of non-compliance on any matter relating to the capital market, during the last three years.
- c) The Company has adopted the Whistle Blower Policy and established a Vigil Mechanism and it affirms that no personnel have been denied access to the Audit Committee.
- d) **Subsidiary Company:**  
In accordance with Regulation 16(1)(c) of Listing Regulations, the Company has formulated a policy for determining 'material' subsidiaries and the same is available on the website of the Company.  
The Company does not have a "material subsidiary" as defined in 16(1)(c) of Listing Regulations.
- e) In accordance with Regulation 23(1) of Listing Regulations, the Company has formulated a 'Policy on Related Party Transactions' and the same is available on the website of the Company.
- f) Disclosure of commodity price risks and commodity hedging activities: Not applicable.
- g) As per Regulation 17(8) of Listing Regulations, the Chief Executive Officer i.e. the Managing Director and the Chief Financial Officer i.e. Executive President (Finance & Accounts) certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31<sup>st</sup> March 2017 in the prescribed form which is annexed.
- h) **Details of information on appointment and re-appointment of directors:**  
A brief resume, nature of expertise in specific functional areas, relationships between directors inter-se, names of listed entities in which the person also holds the directorship and the membership of Committees of the Board; and number of equity shares held in the Company by the Director or for other person on a beneficial basis, forms part of the Notice convening the 71<sup>st</sup> Annual General Meeting.
- i) **Unclaimed Shares:**  
The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.
- j) **ICL Code of Conduct for Directors and Senior Management:**  
In accordance with the provisions of the Companies Act, 2013 the Company has adopted and implemented a "India Cements Code of Conduct for its Directors and Senior Management". The Code of Conduct has also been posted on the Company's website "www.indiacements.co.in". Affirmation of compliance of Code of Conduct for the financial year 2016-2017 has been received from all the Directors and Senior Management personnel of the Company.  
Managing Director of the Company has given declaration to the effect that members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for its Directors and Senior Management which is annexed.
- k) **ICL Code of Conduct for Prevention of Insider Trading:**  
SEBI vide its Notification dated 15.01.2015 has notified SEBI (Prohibition of Insider Trading) Regulations, 2015 (New Regulations). The New Regulations came into effect from 15.05.2015 and SEBI (Prohibition of Insider Trading) Regulations, 1992 stands repealed from that date. In terms of New Regulation, the Company has adopted new "ICL Code of Conduct for Prevention of Insider Trading". The Code allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits purchase/sale of securities of the Company by Designated Person(s) including Directors, key managerial personnel, designated employees, Connected Person, etc., while in possession of unpublished price sensitive information and during the period when the Trading Window is closed.
- l) **Transfer to Investor Education and Protection Fund:**  
The Company has transferred a sum of Rs.13.11 lakhs during the financial year to the Investor Education and Protection Fund established by the Central Government. The said amount represents unclaimed dividend and fixed deposits & interest thereon, which remained unclaimed with the Company for a period of 7 years from their respective due dates of payment.  
Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (Rules), all the equity shares in respect of which dividend has remained unpaid/unclaimed for a period seven consecutive years or more are required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. In terms of the said Rules, the Company has sent individual communication by registered post to those shareholders, who have not encashed / claimed dividends for seven consecutive years since 2009 -10 and



also published a Notice in the Newspapers requesting the shareholders to claim such unclaimed dividend. A statement containing the details of such shareholders and their Folio No./ DP ID & Client Id has been placed on the Company's website: [www.indiacements.co.in](http://www.indiacements.co.in) under the heading "Investors Corner".

Shareholders who have not encashed / claimed their dividends from the year 2009-10 are advised to contact or write to the Company or to the Registrar and Share Transfer Agent (RTA), Integrated Registry Management Services Private Limited, immediately in this regard.

In case, the Company / RTA do not receive any communication from the concerned shareholders, claiming their dividends, the Company shall, in compliance with the said Rules, transfer such corresponding shares to IEPF account, after following the procedures laid down therein on the due date as may be notified by the Ministry of Corporate Affairs in this regard.

It may be noted that all benefits, if any, which may accrue in future on such shares, including bonus shares, dividend, etc. will be credited to IEPF account. Any claim in respect of the said shares / dividend so transferred, may be submitted online to IEPF in the prescribed eform by following the procedures laid down in the Rules, available on the IEPF website: [www.iepf.gov.in](http://www.iepf.gov.in).

m) Dividend Distribution Policy:

Pursuant to Regulation 43A of Listing Regulations, a "Dividend Distribution Policy" is framed setting out the parameters and circumstances in determining the payment of dividend to the shareholders and the same is made available on the Company's website: [www.indiacements.co.in](http://www.indiacements.co.in).

n) Cost Auditor and Cost Audit Report 2015-2016:

Name, Membership number & address of Cost Auditor : Sri S.A. Murali Prasad, Membership No.2730  
4 (New), Brindavan Street, Chennai 600004.

Filing of Cost Audit Report 2015-2016 with the Central : Due date of filing : 22.10.2016  
Government : Actual Date of filing : 19.10.2016

o) The Independent Directors have confirmed in writing that they meet the criteria of 'Independence' as stipulated under Companies Act, 2013 and Listing Regulations.

11] The Company has complied with sub-para (2) to (10) of Schedule V (C) of Listing Regulations.

12] The Company has complied with the discretionary requirements of Part E of Schedule II of Listing Regulations, the extent of compliance has been stated in Part B of this report.

13] The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and 46 (2) (b) to (i) of Listing Regulations.

## B. DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATIONS:

1. The Board

A non-executive chairperson may be entitled to maintain a Chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties. : The Company does not have a non-executive Chairman.

2. Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders. : As the Company's half-yearly results are published in leading English newspapers and in Tamil newspaper and also in the Company's website, the same are not sent to the Shareholders of the Company. There is no publication of second half yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.

3. Modified opinion(s) in audit report:

The listed entity may move towards a regime of financial statements with unmodified audit opinion. : Nil

4. Separate posts of chairperson and chief executive officer:  
The Company may appoint separate persons to the post of chairperson and managing director or chief executive officer. : At present, Vice Chairman & Managing Director is also the Chief Executive Officer of the Company.
5. Reporting of Internal Auditor:  
The Internal auditor may report directly to the Audit Committee. : The Internal Auditors of the Company report directly to the Audit Committee.

N.SRINIVASAN  
Vice Chairman & Managing Director

On behalf of the Board  
RUPA GURUNATH  
Wholetime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017

## CEO AND CFO CERTIFICATION

### To the Board of Directors of The India Cements Limited

In compliance with Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2017 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-17 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 not observed any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the auditors and the Audit Committee that there are:
  - (i) no significant changes in internal control over financial reporting during the year;
  - (ii) no significant changes in accounting policies during the year; and
  - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system over financial reporting have been observed.

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

N.Srinivasan  
Vice Chairman & Managing Director

R.Srinivasan  
Executive President (Finance & Accounts)



**ANNEXURE 'D' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members, The India Cements Limited.

We have examined the compliance of conditions of Corporate Governance by The India Cements Limited ('the Company') for the year ended March 31, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.

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

For P. S. SUBRAMANIA IYER & CO.,  
Chartered Accountants  
Firm Registration No. 004104S  
V.SWAMINATHAN  
Partner  
Membership No.22276

Place : Chennai  
Date : 28<sup>th</sup> July, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants  
Firm Registration No. 000511S  
N. SRI KRISHNA  
Partner  
Membership No. 26575

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**ANNEXURE 'E' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**CODE OF CONDUCT – DECLARATION UNDER SCHEDULE V (D) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

This is to certify that all Board members and Senior Management Personnel have affirmed compliance with the India Cements Code of Conduct for Directors and Senior Management, for the year ended 31<sup>st</sup> March, 2017.

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

for THE INDIA CEMENTS LIMITED  
N. SRINIVASAN  
VICE CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE 'F' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**BUSINESS RESPONSIBILITY REPORT AS ON 31.03.2017**

**Section A: General Information about the Company**

1. Corporate Identity Number (CIN) of the Company : L26942TN1946PLC000931
2. Name of the Company : The India Cements Limited
3. Registered address : "Dhun Building", 827, Anna Salai, Chennai - 600 002.
4. Website : www.indiacements.co.in
5. E-mail ID : investor@indiacements.co.in
6. Financial Year reported : 1<sup>st</sup> April 2016 - 31<sup>st</sup> March 2017
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :

| Group | Class | Sub-class      | Description                        |
|-------|-------|----------------|------------------------------------|
| 239   | 2394  | 23941<br>23942 | Manufacture of<br>Clinker & Cement |
8. List three key products / services that the Company manufactures / provides (as in balance sheet) :
  - Cement
  - Cementitious Products
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International Locations (Provide details of major 5) : NIL
  - (b) Number of National Locations : 8 Cement Factories, 2 Grinding Units and Regional Offices and Sales / Marketing Offices in various places.
10. Markets served by the Company-  
Local / State / National / International

| Local | State | National | International |
|-------|-------|----------|---------------|
| ✓     | ✓     | ✓        | ✓             |

**Section B: Financial details of the Company**

1. Paid-up Capital (INR) : Rs.30717.83 Lakhs
2. Total Turnover (INR) : Rs.577752.49 lakhs
3. Total profit after taxes (INR) : Rs.16787.91 lakhs
4. Total Spending on Corporate Social Responsibility(CSR) as percentage of profit after tax (%) : The Company has spent Rs.741.37 Lakhs on CSR activities, constituting 4.42% of profit after tax for 2016-17.
5. List of activities in which expenditure in 4 above has been incurred :
  - (a) Eradication of Poverty;
  - (b) Promotion of Education;
  - (c) Rural Development;
  - (d) Environment;
  - (e) Rural Sports;
  - (f) Promotion of Gender Equality.

**Section C: Other details**

1. Does the Company have any Subsidiary Company / Companies? : Yes. The Company has 9 Subsidiary Companies viz.,
  - (1) Industrial Chemicals and Monomers Limited
  - (2) ICL Financial Services Limited
  - (3) ICL Securities Limited
  - (4) ICL International Limited
  - (5) Trishul Concrete Products Limited \*
  - (6) Trinetra Cement Limited \*
  - (7) Coromandel Electric Company Limited



- (8) Coromandel Travels Limited #
- (9) India Cements Infrastructures Limited
- (10) PT. Coromandel Minerals Resources, Indonesia
- (11) Coromandel Minerals Pte. Ltd., Singapore

\* Amalgamated with The India Cements Limited effective from 28.04.2017 with appointed date 01.01.2014.

# Became subsidiary w.e.f. 06.02.2017

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) : Out of 9 subsidiaries, 2 subsidiaries viz., Coromandel Electric Company Limited and India Cements Infrastructures Limited participate in Business Responsibility initiatives of holding Company.
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%] : No. The other entities with whom the Company does business do not participate in the BR initiatives of the Company.

#### Section D: BR Information

1. Details of Director / Directors responsible for BR

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

|    |             |                                     |
|----|-------------|-------------------------------------|
| 1. | DIN Number  | : 00116726                          |
| 2. | Name        | : Mr.N.Srinivasan                   |
| 3. | Designation | : Vice Chairman & Managing Director |

(b) Details of the BR head

| No. | Particulars                | Details                             |
|-----|----------------------------|-------------------------------------|
| 1.  | DIN Number (if applicable) | : 00116726                          |
| 2.  | Name                       | : Mr.N.Srinivasan                   |
| 3.  | Designation                | : Vice Chairman & Managing Director |
| 4.  | Telephone number           | : 044-28572100                      |
| 5.  | e-mail id                  | : officeofmd@indiacements.co.in     |

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

The nine principles are as under:

|    |                                                                                                                                                             |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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.                                                   |

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

| No. | Questions                                                                                                                                                    | P1                                                                                                                         | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| 1.  | Do you have a policy / policies for ?                                                                                                                        | Y                                                                                                                          | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 2.  | Has the policy being formulated in consultation with the relevant stakeholders?                                                                              | Y                                                                                                                          | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3.  | Does the policy conform to any national / international standards?<br>If yes, specify? (50 words)                                                            | Y                                                                                                                          | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 4.  | Has the policy being approved by the Board?<br>If yes, has it been signed by MD / owner / CEO / appropriate Board Director?                                  | 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?                                                                                                        | -                                                                                                                          | -  | -  | -  | -  | -  | -  | -  | -  |
| 7.  | Has the policy been formally communicated to all relevant internal and external stakeholders?                                                                | Y                                                                                                                          | Y  | Y  | Y  | -  | Y  | -  | Y  | -  |
| 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  | -  |
| 10. | Has the Company carried out independent audit /evaluation of the working of this policy by an internal or external agency?                                   | We are in the process of appointing independent internal / external agency for evaluating the working of all the Policies. |    |    |    |    |    |    |    |    |

(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 (please specify)                                                                                                 | -  | -  | -  | -  | -  | -  | -  | -  | -  |

3. Governance related to BR:

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

Annually

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

No.





## Section E: Principle-wise performance

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

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

The Company has got a Code of Conduct and Vigil Mechanism that were approved by the Board of Directors. These are applicable to the Board members and senior management of the Company and an annual affirmation on compliance of the Code is taken from them. The Company persuade parties associated with it to follow the principles of ethics, etc.

- (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.

There were no complaints on ethics / transparency and accountability during the year.

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

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

(a) The Company is engaged in the manufacture of cement that help customers to build sustainable structures which are more durable and more environmental friendly and resource efficient. The Company is primarily engaged in the production of blended cements which uses fly ash, a natural waste, as an additive contributing for the improvement in the environment.

(b) The Company also concentrates on reducing the use of clinker in the cement thereby resulting in conservation of lime stone and reducing the CO<sub>2</sub> emissions.

(c) The Company also effectively generates power from the waste heat, addressing the carbon emissions, saving of water and fossil fuels in the process of power generation.

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

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

The Company has been continuously striving hard to reduce the power and fuel consumption thereby contributing for the improvement of environment.

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

The end usage of cement by customers and its purposes are not available with the Company and hence the reduction in consumption of energy and water by them by utilizing our product cannot be quantified.

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

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

The major raw-material required for the Company is lime stone and all the plants of our Company are located in proximity to the lime stone deposits resulting in minimizing of transport cost.

Most of the other raw-materials required for process are procured by the Company from nearby sources and their selection process and practices adopted by the Company are focused towards delivering quality raw-material at the cheapest costs incurring very less freights in a sustainable manner.

All the inputs are sourced on a sustainable basis and the Company has also long term agreements / leases in place for gypsum, lime stone, fly ash, etc.

The Company also gives preference in selection of vendors who are complying with principles of sustainability and long term existence.

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 has always given the preference to local vendors for supply of stores, spares and repair works. Our contractors who are engaged in the repairs and maintenance of plants are employing workmen from the nearby villages by providing opportunities to them to earn livelihood.

Many small entrepreneurs have put up their workshops nearer to our plants. Our Company engages their services for outside repair jobs

The local vendors are provided with safety equipments and apparatus and are expected to adhere to the safety procedures of the Company.

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 is engaged in manufacture of cement and power and does not directly discharge any effluent or wastes.

The fly ash from our power plants are entirely used in our cement production. The waste water discharged from the power plant operations is purified, recycled and used for dust separation, gardening and house-keeping in the colony.

The excess heat available from the kiln is also captured by the waste heat recovery plant and used for generation of power at the cheapest cost.

### Principle 3 Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees. : No. of permanent employees is 2,673 (Managerial -1409 & Non-Managerial - 1264)
2. Please indicate the Total number of employees hired on temporary / contractual / casual basis. : Number of Contract Employees engaged through Registered / Licensed Contractors - 1971
3. Please indicate the Number of permanent women employees. : 32
4. Please indicate the Number of permanent employees with disabilities : 4
5. Do you have an employee association that is recognized by management. : Yes. There are recognized trade unions constituted as per the terms of the Trade Unions Act at the Company's manufacturing units.
6. What percentage of your permanent employees is members of this recognized employee association? : Around 40% of our permanent employees are members of the Trade Unions.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| 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 : Around 76% were given Safety Training by way of OJT
  - (b) Permanent Women Employees : About 55% of the permanent employees were given skill up-gradation training.
  - (c) Casual / Temporary / Contractual Employees : 100% safety training. However, details not available regarding other training as it is done by their respective employers
  - (d) Employees with Disabilities : 100% safety training



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

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

Yes. The Company has mapped its internal stakeholders as well as external stakeholders.

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

The Company is in the process of identifying its marginalised stakeholders by way of vendors, stockists, contract workers who are situated in and around its factory locations which are essentially under-developed locations requiring attention.

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.

Most of the Corporate Social Responsibility (CSR) activities undertaken by the Company are towards the welfare of the people and stakeholders in and around our factory locations by providing health and sanitary care, educational facilities and vocational training, infrastructural facilities like road, water, etc. Most of the welfare schemes undertaken by the Company are targeted towards upliftment of the poor and down-trodden and marginalised stakeholders located in and around our factories.

**Principle 5 Businesses should respect and promote human rights**

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

The Company has a Code of Conduct for Directors and Senior Management of the Company. The Company complies with the National and Local Laws as far as the individual rights are concerned. However, there is no specific human rights policy for the time being, which is being formulated for the approval of the Board.

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

No complaints for violation of human rights were received by the Company during the financial year.

**Principle 6 Business should respect, protect and make efforts to restore the environment**

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

The Company has a Policy on Safety Health and Environment (SHE), which covers all the operations of the Company.

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

Yes. The Company is committed to reduce Greenhouse Gas (GHG) emissions and have got short-term and long-term targets in this regard. All these targets are aimed at:

- Improving the blended cement ratio and reducing clinker in the overall cement by paving way for carbon reduction.
- Continuous focus on reduction of thermal and electrical energy consumption.
- Installation of Waste Recovery System and renewable energy in the form of windmills.
- Utilization of waste products from its thermal power plants like fly ash to improve the environment.
- Development of ponds and afforestation of the mined area to ensure greener environment.
- Installation of high efficiency bag filters in place of ESPs to ensure emissions are well within the permissible limits.

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

The Company has got a Risk Management Policy and the potential environmental risk and other risks form part of Business Risk Management review, where all such risks are identified and mitigation process are formulated.

4. Does the Company have any project related to Clean Development Mechanism ? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed ?  
Yes. The Company had a project registered under Clean Development Mechanism (CDM) for Waste Heat Recovery utilization at its Vishunupuram plant, on which Certified Emission Reduction (CER) certificate has been earned in the past. The Company has also contributed for CDM through improvement in blended cement proportion and installation of windmills and gas-based power plants in Tamil Nadu.
5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y / N. If yes, please give hyperlink for webpage etc.  
(a) As already mentioned, the Company has taken lot of steps towards clean technology, energy efficiency and renewable energy through installation of windmills, waste heat recovery plant, etc. The Company is also in the process of installing one more waste heat recovery plant at one of its locations to conserve the energy and improve energy efficiency.  
(b) The Company's in-house Research & Development continuously focusing on improving the usage of additives and reducing the clinker in cement to ensure carbon reduction and also focus on value added varieties of cements.
6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported ?  
Yes. Emissions / waste generated by the Company are within the permissible limits given by the Central and State Pollution Control Boards.
7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.  
There are certain environmental related proceedings relating to our mines at Sankarnagar pending before the authorities as at the end of financial year.

**Principle 7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association ? If Yes, Name only those major ones that your business deals with:  
(a) Cement Manufacturers Association (CMA)  
(b) National Council for Cement and Building Materials (NCCBM)  
(c) Confederation of Indian Industry (CII)  
(d) The Associated Chambers of Commerce and Industry of India (ASSOCHAM)  
(e) Federation of Indian Chambers of Commerce and Industry (FICCI)  
(f) Bombay Chamber of Commerce and Industry  
(g) The Madras Chamber of Commerce and Industry (MCCI)  
(h) Hindustan Chamber of Commerce (HCC)
2. Have you advocated / lobbied through above associations for the advancement or improvement of public good ? Yes /No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) ?  
The Company was also a party to various initiatives taken through the aforesaid associations for:  
(a) Promotion of concrete roads.  
(b) Conservation of energy and use of renewable energy.  
(c) Utilization of petcoke in kilns.  
The Company, as part of its activities under Corporate Social Responsibility (CSR), has also taken steps for improvement of health and safety of the people in the villages around its factories, conservation of water in the usage of concrete, biodiversity conservation, increased usage of blended cement as sustainable building materials.

**Principle 8 Businesses should support inclusive growth and equitable development.**

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8 ? If yes details thereof  
As part of CSR, the Company has developed detailed programmes focused on developing the neighbourhood and ensuring a better



livelihood for the underprivileged people. Towards these programmes, all stakeholder groups are addressed which, inter alia, include promotion of basic education, rural employment, sustainable operations of the public health centres, development of infrastructure like roads, lights, drinking water supply and social reforms, which will ultimately pave way for a higher livelihood for the neighbourhood.

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

The Company's CSR projects are implemented through an In-house CSR Department. Some of the healthcare and welfare activities are also being undertaken through governmental agencies.

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

The Company is generally reviewing the impact assessment of its CSR initiatives, which is reflected in the form of feedback from the beneficiaries. However, the Company is also in the process of formulating a scheme for a systematic review of the performance of the various programmes and the resultant benefits.

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

Rs.741.37 Lakhs towards Eradication of Poverty, Promotion of Education, Rural Development, Environment, Rural Sports, Promotion of Gender Equality etc., as detailed in Sl.No.5 under Section B of this Report.

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

Yes. The Company follows a process before undertaking any community development project. These projects are undertaken based on either the request from the community or based on the survey and initiative taken by the Company for improvement of the society and the environment. An assessment report is prepared regarding the cost and benefits that will accrue to the community people and based on the importance, these projects are listed and being implemented one by one on various issues like primary education improving the educational facilities, providing furniture to schools, maintenance of primary health centres, drinking water supply scheme, healthcare and sanitation and infrastructure development.

#### **Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

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

The Company has been continuously meeting its stockists, consumers and masons to apprise them on various issues regarding quality, setting time, strength, etc. and also to understand their concerns. Most of the concerns are being reviewed regularly and then resolved immediately then and there to their satisfaction. There were one or two complaints from end-consumers in the previous year, which have been sorted out fully and there are no complaints pending as of 31.03.2017 from consumers.

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

The Company displays all the information regarding the product as mandated by Bureau of Indian Standards (BIS) and relevant Local Laws applicable on the cement bag.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior 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 Company does not indulge in any anti-competitive activities. There were no complaints pending, other than the item mentioned in Note No.40.2(g) of the Annual Report 2017.

4. Did your company carryout any consumer survey / consumer satisfaction trends?

The Company periodically visits its main customers, namely, stockists, sub-dealers, consumers, as part of the appraisal programme and get the feedback on the satisfaction levels on supply, quality and other terms, etc.

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholtime Director

N.SRINIVASAN  
Director

Place: Chennai

Date : 28<sup>th</sup> July, 2017

## ANNEXURE 'G' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### CORPORATE SOCIAL RESPONSIBILITY (CSR) 2016-17

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. : CSR objective
  1. Understanding, Supporting and Developing the Communities and the Cultures within which the Company works.
  2. Nurturing the Environment and the Surroundings of the Company's plants.
  3. Enhancing the Value of the Company through Sustainable Development

CSR Policy is available at the Company's website [www.indiacements.co.in](http://www.indiacements.co.in)
2. The Composition of CSR Committee :
  1. Sri N.Srinivasan
  2. Sri N.R.Krishnan
  3. Sri N.Srinivasan (F&R)
3. Average net profit of the Company for the last three financial years : Rs. 3854.42 lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : Rs. 77.08 lakhs
5. Details of CSR spent during the financial year:
  - a) Total amount to be spent for the financial year : The Company has budgeted to spend Rs.525.70 lakhs towards CSR
  - b) Amount unspent, if any : -
  - c) Manner in which the amount spent during the financial year is detailed below:

#### REPORT ON CSR ACTIVITIES

Rs.Lakhs

| 1       | 2                                 | 3                                      | 4                                                                                                                                                             | 5                                               | 6                                                                                                         | 7                                          | 8                                                  |
|---------|-----------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------|
| Sl. No. | CSR Project / Activity Identified | Sector in which the Project is covered | Projects / Programmes<br>1. Local area / others<br>2. Specify the State / district (Name of the District/s, State/s where project / programme was undertaken) | Amount outlay (budget) projects / programs wise | Amount spent on the projects / programs<br>Subheads:<br>1. Direct expenditure on projects<br>2. Overheads | Cumulative spent upto the reporting period | Amount spent: Direct / through implementing agency |
|         | Detailed below                    |                                        |                                                                                                                                                               |                                                 |                                                                                                           | 233.27                                     | Direct                                             |

#### Sector: Eradication of Poverty

| Sl.No. | CSR Projects / activities identified                                                                                                                                                                                  | Location (District, State)                                                                                                                                 | Budget | Amount Spent |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------|
| 1      | Organise General Health Camps & Awareness programme                                                                                                                                                                   | Tirunelveli, Salem, Ariyalur, Thiruvallur, Tamilnadu / Kadapa, Andhra Pradesh / Nalgonda, Ranga Reddy, Telangana / Beed, Maharashtra / Banswara, Rajasthan | 25.10  | 11.89        |
| 2      | Provide financial help for the maintenance of the Hospital and equipment (Medical Aid) under the Medical Relief Society and Adoption of the Govt. Hospital, Govt. School under the adoption scheme of Rajasthan Govt. | Banswara, Rajasthan                                                                                                                                        | 4.75   | 4.73         |



Rs.Lakhs

| Sector: Eradication of Poverty |                                                                                                                                                          |                                                                                                                  |              |              |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Sl.No.                         | CSR Projects / activities identified                                                                                                                     | Location (District, State)                                                                                       | Budget       | Amount Spent |
| 3                              | Promote Organic Farming concept in the nearby villages for improving crop productivity, farmers health & quality for better livelihood of the villagers. | Banswara, Rajasthan                                                                                              | 3.00         | 1.64         |
| 4                              | Provision of Drinking water / RO Plant and Develop & Maintenance of Water Reservoir near Agricultural fields                                             | Tirunelveli, Tamilnadu/ Kadapa, Andhra Pradesh/ Beed, Maharashtra / Thiruvallur, Tamilnadu / Banswara, Rajasthan | 33.90        | 29.11        |
| 5                              | Construction of Community Hall, Toilet, Bus Shelter & provision of Borewell with hand pump etc.                                                          | Tirunelveli, Salem, Tamilnadu / Kadapa, Andhra Pradesh                                                           | 8.80         | 19.00        |
| 6                              | Solar Lights Fixing / Street Light and Fencing for Reserved Forest Area (For protection of Wild Animals movement)                                        | Salem, Tirunelveli, Tamilnadu / Nalgonda, Telangana                                                              | 7.75         | 2.53         |
| 7                              | Construction of Rest Shelter & Provision of a Shed at PHC, Construction of Arc etc.                                                                      | Salem, Tamilnadu / Beed, Maharashtra / Banswara, Rajasthan                                                       | 5.55         | 5.32         |
| 8                              | Conduct Training to Educate Farmers to produce more yield in collaboration with Agricultural Dept                                                        | Salem, Tamilnadu / Beed, Maharashtra                                                                             | 0.70         | 0.00         |
| <b>Total</b>                   |                                                                                                                                                          |                                                                                                                  | <b>89.55</b> | <b>74.22</b> |

| Sector: Promotion of Education |                                                                                                                                                          |                                                                                                                           |               |              |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------|--------------|
| S.No.                          | CSR Projects / activities identified                                                                                                                     | Location (District, State)                                                                                                | Budget        | Amount Spent |
| 1                              | Provide the Technical Education to needy and poor villagers, organise the Career counselling and English speaking course                                 | Tirunelveli, Thiruvallur, Tamilnadu / Nalgonda, Ranga Reddy, Telangana / Kadapa, Andhra Pradesh / Banswara, Rajasthan     | 16.85         | 8.71         |
| 2                              | Provide infrastructure (desks, chairs, playground, Park, library books, toilets, drinking water, Electrical Maintenance etc.) to the government schools. | Tirunelveli, Salem, Ariyalur, Thiruvallur, Tamilnadu / Nalgonda, Telangana / Kadapa, Andhra Pradesh / Banswara, Rajasthan | 68.00         | 15.52        |
| 3                              | Financial Assistance for Poor Students for Higher Education                                                                                              | Tirunelveli, Ariyalur, Tamilnadu / Beed, Maharashtra / Banswara, Rajasthan                                                | 4.50          | 1.43         |
| 4                              | Personality Development Program at schools                                                                                                               | Ariyalur, Tamilnadu / Kadapa, Andhra Pradesh                                                                              | 1.00          | 0.93         |
| 5                              | Abacus Training                                                                                                                                          | Thiruvallur, Tamilnadu                                                                                                    | 2.55          | 1.79         |
| 6                              | Vocational Training, Conducting Tailoring Classes, Technical know-how, etc. for poor in and around the factory vicinity                                  | Salem, Tirunelveli, Tamilnadu                                                                                             | 5.10          | 1.43         |
| 7                              | To organize Science Exhibition to bring awareness & interest in Science.                                                                                 | Tirunelveli, Salem, Tamilnadu / Beed, Maharashtra                                                                         | 3.80          | 2.30         |
| 8                              | Training on four wheeler and arrange to provide driving licenses to youth in the villages                                                                | Ariyalur, Tamilnadu / Kadapa, Andhra Pradesh / Beed, Maharashtra                                                          | 2.05          | 2.45         |
| 9                              | Prizes for 10th and Plus Two students who would score first three top ranks in the school / Scholarship                                                  | Tirunelveli, Tamilnadu / Kadapa, Andhra Pradesh / Beed, Maharashtra                                                       | 5.90          | 4.72         |
| <b>Total</b>                   |                                                                                                                                                          |                                                                                                                           | <b>109.75</b> | <b>39.28</b> |



Rs.Lakhs

| Sector: Rural Development |                                                               |                                                                                      |               |              |
|---------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------|--------------|
| S.No.                     | CSR Projects / activities identified                          | Location (District, State)                                                           | Budget        | Amount Spent |
| 1                         | Provision of infrastructure facilities in the target villages | Nalgonda, Ranga Reddy, Telangana/<br>Kadapa, Andhra Pradesh /<br>Banswara, Rajasthan | 190.50        | 23.01        |
| 2                         | Support for Drinking Water & Agriculture etc.                 | Ariyalur, Tamilnadu /<br>Nalgonda, Telangana                                         | 50.10         | 40.02        |
| 3                         | Contribution of Cement to Govt schemes on development works   | Nalgonda, Telangana                                                                  | 6.00          | 2.00         |
| <b>Total</b>              |                                                               |                                                                                      | <b>246.60</b> | <b>65.03</b> |

| Sector: Environment |                                                                                                                                                                                                                           |                                                                                 |              |              |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------|--------------|
| S.No.               | CSR Projects / activities identified                                                                                                                                                                                      | Location (District, State)                                                      | Budget       | Amount Spent |
| 1                   | Organize plantation and different event on the occasion of environment day and Creating awareness on environmental issues                                                                                                 | Salem, Ariyalur, Tamilnadu /<br>Kadapa, Andhra Pradesh /<br>Nalgonda, Telangana | 5.35         | 7.69         |
| 2                   | Plantation & provide tree guards in city areas, schools / colleges, hospitals etc.                                                                                                                                        | Ariyalur, Tamilnadu / Kadapa,<br>Andhra Pradesh / Beed,<br>Maharashtra          | 13.20        | 14.51        |
| 3                   | Veterinary Camp                                                                                                                                                                                                           | Tirunelveli, Tamilnadu /<br>Kadapa, Andhra Pradesh                              | 2.50         | 1.71         |
| 4                   | Under Jal Swavlamban Abhiyan adopted two nearby Panchayats i.e. Jhalo Ka Gada and Kushalpura under the scheme of, Rajasthan Government                                                                                    | Banswara, Rajasthan                                                             | 10.00        | 3.42         |
| 5                   | Organise cattle management camp and provide free medicine, technical assistance and equipment for improving the quality of fodder and also create awareness about using biomass stoves for improving the quality of life. | Banswara, Rajasthan                                                             | 1.00         | 1.00         |
| 6                   | Cleaning of River / Swatch Bharath                                                                                                                                                                                        | Tirunelveli, Salem, Tamilnadu                                                   | 13.25        | 8.84         |
| <b>Total</b>        |                                                                                                                                                                                                                           |                                                                                 | <b>45.30</b> | <b>37.17</b> |

| Sector: Rural Sports |                                                                                                        |                                                                                                                    |              |              |
|----------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| S.No.                | CSR Projects / activities identified                                                                   | Location (District, State)                                                                                         | Budget       | Amount Spent |
| 1                    | Assistance & support to local sports organising agencies in coordination with local sport authorities. | Salem, Tamilnadu / Kadapa,<br>Andhra Pradesh / Nalgonda,<br>Telangana / Beed, Maharashtra /<br>Banswara, Rajasthan | 4.60         | 3.70         |
| 2                    | Conducting Games & Sports                                                                              | Salem, Ariyalur, Tamilnadu /<br>Nalgonda, Telangana                                                                | 5.50         | 1.76         |
| <b>Total</b>         |                                                                                                        |                                                                                                                    | <b>10.10</b> | <b>5.46</b>  |



Rs.Lakhs

| Sector: Promotion of Gender Equality |                                                                                                                                            |                                                                                                            |               |               |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------|---------------|
| S.No.                                | CSR Projects / activities identified                                                                                                       | Location (District, State)                                                                                 | Budget        | Amount Spent  |
| 1                                    | To create opportunities for Women for Income Generation                                                                                    | Nalgonda, Telangana / Kadapa, Andhra Pradesh / Beed, Maharashtra / Banswara, Rajasthan                     | 4.00          | 1.10          |
| 2                                    | Providing basic needs like dress materials, footwear, vessels etc. to Orphanages, Oldage homes, Blind & Physically handicapped person etc. | Salem, Thiruvallur, Ariyalur, Tamilnadu / Kadapa, Andhra Pradesh / Beed, Maharashtra / Banswara, Rajasthan | 11.05         | 3.29          |
| 3                                    | Support to Transportation Services & Infrastructure                                                                                        | Ariyalur, Tamilnadu                                                                                        | 8.00          | 6.97          |
| 4                                    | Skill Development for Youth                                                                                                                | Nalgonda, Telangana / Thiruvallur, Tamilnadu                                                               | 1.35          | 0.75          |
| <b>Total</b>                         |                                                                                                                                            |                                                                                                            | <b>24.40</b>  | <b>12.11</b>  |
| <b>Grand Total</b>                   |                                                                                                                                            |                                                                                                            | <b>525.70</b> | <b>233.27</b> |

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report : Not applicable
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company : The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

On behalf of the Board

Place : Chennai  
Date : 28<sup>th</sup> July, 2017

N.Srinivasan  
Chairman, CSR Committee

**ANNEXURE 'H' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**FORM AOC - 1**

**STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2017 PURSUANT TO SECTION 129 (3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014**

|            |                                              | PART - A - SUBSIDIARIES                |                     |                             |                        |                         |                                  |                                     |                                              | Rs. in Lakhs                             |
|------------|----------------------------------------------|----------------------------------------|---------------------|-----------------------------|------------------------|-------------------------|----------------------------------|-------------------------------------|----------------------------------------------|------------------------------------------|
| 1. Sl. No. | 2. Name of the Subsidiary                    | 1                                      | 2                   | 3                           | 4                      | 5                       | 6                                | 7                                   | 8                                            | 9                                        |
|            |                                              | Industrial Chemicals and Monomers Ltd. | ICL Securities Ltd. | ICL Financial Services Ltd. | ICL International Ltd. | Coromandel Travels Ltd. | Coromandel Electric Company Ltd. | India Cements Infra-structures Ltd. | PT. Coromandel Minerals Resources, Indonesia | Coromandel Minerals Pte. Ltd., Singapore |
| 3          | Date since when subsidiary was acquired      | 09/04/1992                             | 28/11/1996          | 08/06/1994                  | 08/06/1994             | 06/02/2017              | 27/03/2012                       | 31/01/2013                          | 10/07/2008                                   | 01/06/2010                               |
| 4          | Reporting Period for the Subsidiary Accounts | 31/03/2017                             | 31/03/2017          | 31/03/2017                  | 31/03/2017             | 31/03/2017              | 31/03/2017                       | 31/03/2017                          | 31/12/2016                                   | 31/12/2016                               |
| 5          | Reporting Currency for the Subsidiary        | INR                                    | INR                 | INR                         | INR                    | INR                     | INR                              | INR                                 | RP - 0.00504                                 | USD - 67.93                              |
| 6          | Share Capital                                | 227.82                                 | 613.02              | 596.20                      | 5.00                   | 6731.00                 | 70.00                            | 5.00                                | 128.54                                       | 9167.05                                  |
| 7          | Reserves and Surplus                         | 14122.20                               | 471.52              | (2209.11)                   | (3028.41)              | (12162.84)              | 9713.98                          | (1288.27)                           | (1885.03)                                    | 1056.36                                  |
| 8          | Total Assets                                 | 15874.42                               | 15949.03            | 52479.41                    | 329.08                 | 7804.07                 | 16823.70                         | 8049.16                             | 5432.60                                      | 11276.98                                 |
| 9          | Total Liabilities                            | 1524.40                                | 14864.49            | 54092.32                    | 3352.49                | 13235.92                | 7039.70                          | 9332.43                             | 7189.11                                      | 1053.57                                  |
| 10         | Investments                                  | 0.02                                   | 12855.01            | 51703.10                    | 0.00                   | 0                       | 0.00                             | 0.00                                | 8.66                                         | 0.00                                     |
| 11         | Turnover                                     | 0.00                                   | 99.74               | 99.80                       | 172.15                 | 1275.56                 | 8563.55                          | 77.52                               | 0.06                                         | 0.00                                     |
| 12         | Profit / (Loss) before Taxation              | (27.17)                                | 99.40               | 97.59                       | (141.49)               | (2006.04)               | 2549.30                          | (923.70)                            | (164.72)                                     | (3.66)                                   |
| 13         | Provision for Taxation                       | 0.00                                   | 0.00                | 0.00                        | 0.00                   | 0.00                    | 732.85                           | 0.00                                | 0.00                                         | 0.00                                     |
| 14         | Profit / (Loss) after Taxation               | (27.17)                                | 99.40               | 97.59                       | (141.49)               | (2006.04)               | 1816.44                          | (923.70)                            | (164.72)                                     | (3.66)                                   |
| 15         | Proposed Dividend                            | NIL                                    | NIL                 | NIL                         | NIL                    | NIL                     | NIL                              | NIL                                 | NIL                                          | NIL                                      |
| 16         | Extent of Shareholding (%)                   | 98.59%                                 | 100%                | 100%                        | 100%                   | 98.50%                  | 58.57%                           | 100%                                | 100%                                         | 100%                                     |
| 17         | No. of Shares                                | 2228191                                | 6130200             | 5962000                     | 50000                  | 67310000                | 410000                           | 50000                               | 2940                                         | 18986500                                 |
| 18         | Book Value per Share                         | 644.02                                 | 17.69               | (27.05)                     | (6046.82)              | (8.07)                  | 13052.01                         | (2566.54)                           | (59745.03)                                   | 53.85                                    |

**Notes**

|   |                                   |           |           |           |           |           |           |           |           |           |
|---|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 1 | Yet to commence operation         | Commenced | Commenced | Commenced | Commenced | Commenced | Commenced | Commenced | Commenced | Commenced |
| 2 | Liquidated / Sold during the Year | NIL       | NIL       | NIL       | NIL       | NIL       | NIL       | NIL       | NIL       | NIL       |

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants  
V.SWAMINATHAN  
Partner  
Membership No. 22276  
Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants  
N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
Managing Director  
R.SRINIVASAN  
Executive President  
(Finance & Accounts)

RUPA GURUNATH  
Wholetime Director  
S.SRIDHARAN  
Company Secretary

CHITRA SRINIVASAN  
N.R.KRISHNAN  
RABINARAYAN PANDA  
S.BALASUBRAMANIAN ADITYAN

K.BALAKRISHNAN  
V. MANICKAM  
N.SRINIVASAN

Directors



**STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2017 PURSUANT TO SECTION 129 (3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014**

**PART - B - ASSOCIATES**

| Sl. No.      | Name of Associates/ Joint Ventures                                                     | Raasi Cement Limited | Coromandel Sugars Limited | India Cements Capital Limited | Unique Receivable Management Pvt. Limited |
|--------------|----------------------------------------------------------------------------------------|----------------------|---------------------------|-------------------------------|-------------------------------------------|
| 1            | Latest Audited Balance Sheet Date                                                      | 31/03/2016           | 31/03/2016                | 31/03/2016                    | 31/03/2016                                |
| 2            | Date on which the associate was associated or acquired                                 | 25/02/2000           | 15/11/1999                | 07/02/1997                    | 08/02/2007                                |
| 3            | Shares of Associates held by the Company & its subsidiaries on the year end            |                      |                           |                               |                                           |
|              | No. of Shares                                                                          | 239,409              | 7,000,100                 | 10,400,000                    | 24,600                                    |
|              | Amount of Investment in Associates (Rs. Lakhs)                                         | 0.00                 | 994.80                    | 2544.98                       | 2.46                                      |
|              | Extent of Holding (%)                                                                  | 28.94%               | 49.99%                    | 47.91%                        | 49.20%                                    |
| 4            | Description of How there is significant Influence                                      | Holding > 20%        | Holding > 20%             | Holding > 20%                 | Holding > 20%                             |
| 5            | Reason why the associate is not Consolidated                                           | Not Applicable       | Not Applicable            | Not Applicable                | Not Applicable                            |
| 6            | Net Worth attributable to Shareholding as per Latest audited Balance Sheet (Rs. Lakhs) |                      | 4093.96                   | 253.06                        |                                           |
| 7            | Profit / Loss for the Year (2015-16)                                                   |                      |                           |                               |                                           |
|              | i. Considered in Consolidation (Rs. Lakhs)                                             | 0.00                 | 63.86                     | -0.37                         | 0.00                                      |
|              | ii. Not Considered in Consolidation (Rs. Lakhs)                                        | Not Applicable       | Not Applicable            | Not Applicable                | Not Applicable                            |
| <b>Notes</b> |                                                                                        |                      |                           |                               |                                           |
| 1            | Yet to commence operation                                                              | Commenced            | Commenced                 | Commenced                     | Commenced                                 |
| 2            | Liquidated / Sold during the year                                                      | NIL                  | NIL                       | NIL                           | NIL                                       |

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN  
Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner

Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
Managing Director

R.SRINIVASAN  
Executive President  
(Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

S.SRIDHARAN  
Company Secretary

CHITRA SRINIVASAN

N.R.KRISHNAN

RABINARAYAN PANDA

S.BALASUBRAMANIAN ADITYAN

K.BALAKRISHNAN

V. MANICKAM

N.SRINIVASAN

Directors

**ANNEXURE 'I' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**INFORMATION AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014**

|                                                                                     | 2016-17  | 2015-16  |
|-------------------------------------------------------------------------------------|----------|----------|
| Ratio of remuneration of each director to the median remuneration of employees      |          |          |
| Managing Director                                                                   | 336.40:1 | 163.10:1 |
| Wholetime Director                                                                  | 112.98:1 | 96.12:1  |
| Percentage increase in remuneration                                                 |          |          |
| Managing Director                                                                   | 112.23%  | 5.64%    |
| Wholetime Director                                                                  | 20.94%   | 88.86%   |
| Chief Financial Officer                                                             | -84.14%  | 654.96%  |
| Company Secretary                                                                   | -23.35%  | 241.84%  |
| Percentage increase in the median remuneration of employees                         | 0.00%    | 20.63%   |
| Number of permanent employees on the rolls of the Company                           | 2818     | 2873     |
| Increase in Median Salary of employees                                              | 0.00%    | 20.63%   |
| Increase in remuneration of Managerial Personnel                                    | 112.23%  | 5.64%    |
| Affirmation that the remuneration is as per the remuneration policy of the Company. | Yes.     | Yes.     |

N.SRINIVASAN  
Vice Chairman & Managing Director

On behalf of the Board  
RUPA GURUNATH  
Wholetime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017



**ANNEXURE 'J' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**  
**FORM No. 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)

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

**2. Details of material contracts or arrangement or transactions at arm's length basis :**

|                                                           |                                                         |                                                          |                                                                                                  |                                                 | (Rs. In lakhs)                                                      |  |
|-----------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|--|
| 2(a) Name(s) of the related party and nature relationship | 2 (b) Nature of contracts / arrangements / transactions | 2(c) Duration of contracts / arrangements / transactions | 2(d) Salient terms of the contracts or arrangements or transactions including the value, if any. | 2(e) Date(s) of approval by the Board, if any   | 2(f) Amount paid as advances, if any (Outstanding as on 31.03.2017) |  |
| ICL INTERNATIONAL LTD - Subsidiary                        | Purchase of Goods                                       | Need Based                                               | 5.73                                                                                             | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |  |
|                                                           | Receiving of Services                                   | Need Based                                               | 142.01                                                                                           | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |  |
|                                                           | Sale of Goods                                           | Need Based                                               | 46.94                                                                                            | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 | 4,610.35                                                            |  |
| INDIA CEMENTS INFRASTRUCTURES LTD - Subsidiary            | Interest on Advances                                    | Need Based                                               | 370.77                                                                                           | 27.05.2017                                      |                                                                     |  |
|                                                           | Renting of Land                                         | Need Based                                               | 1.38                                                                                             | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |  |
|                                                           | Receiving of Services                                   | Need Based                                               | 1,280.75                                                                                         | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |  |
|                                                           | Advance Received                                        | Need Based                                               | 1,500.00                                                                                         | 27.05.2017                                      |                                                                     |  |
| COROMANDEL MINERALS PTE LTD, SINGAPORE - Subsidiary       | Further investment in Equity Shares                     | As per the terms                                         | 6,885.30                                                                                         | 27.05.2017                                      | 1,049.43                                                            |  |
| COROMANDEL SUGARS LIMITED - Associate                     | Sale of Goods                                           | Need Based                                               | 5.94                                                                                             | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 | 5,206.14                                                            |  |
|                                                           | Interest on Advances                                    | Need Based                                               | 86.11                                                                                            | 27.05.2017                                      |                                                                     |  |
| COROMANDEL TRAVELS LTD - Subsidiary                       | Receiving of Services                                   | Need Based                                               | 1,238.89                                                                                         | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |  |
|                                                           | Conversion of Debentures into Equity Shares             | As per the terms                                         | 6,531.00                                                                                         | 27.05.2017                                      |                                                                     |  |
| INDIA CEMENTS CAPITAL LIMITED - Associate                 | Receiving of Services                                   | Need Based                                               | 263.07                                                                                           | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 | 338.82                                                              |  |
|                                                           | Interest on Advances                                    | Need Based                                               | 214.57                                                                                           | 27.05.2017                                      |                                                                     |  |

## FORM No. AOC-2 (Contd.)

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

| 2(a) Name(s) of the related party and nature relationship | 2 (b) Nature of contracts / arrangements / transactions | 2(c) Duration of contracts / arrangements / transactions | 2(d) Salient terms of the contracts or arrangements or transactions including the value, if any. | 2(e) Date(s) of approval by the Board, if any   | 2(f) Amount paid as advances, if any (Outstanding as on 31.03.2017) |
|-----------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|
| INDIA CEMENTS INFRASTRUCTURES LTD - Subsidiary            | Guarantee O/s at the end of the Year                    | Need Based                                               | 4,000.00                                                                                         | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |
| COROMANDEL SUGARS LIMITED - Associate                     | Guarantee O/s at the end of the Year                    | Need Based                                               | 19,300.00                                                                                        | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |
| COROMANDEL TRAVELS LTD - Subsidiary                       | Guarantee O/s at the end of the Year                    | Need Based                                               | 9,000.00                                                                                         | 18.08.2016, 19.11.2016, 27.01.2017 & 27.05.2017 |                                                                     |

No Guarantee commission has been charged in the case of :

1. India Cements Infrastructures Limited, a Wholly-owned Subsidiary and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(s) are valid till the date of repayment of loan.
2. Coromandel Sugars Limited, an associate Company and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(s) are valid till the date of repayment of loan.
3. Coromandel Travels Limited, a Subsidiary Company and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(s) are valid till the date of repayment of loan.

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholtime Director

N.SRINIVASAN  
Director

Place: Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017





## ANNEXURE 'K' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### FORM No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

[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                                                                       | : L26942TN1946PLC000931                                                                                                                                                                                                                                                                                                              |
| ii)  | Registration Date                                                         | : 21.02.1946                                                                                                                                                                                                                                                                                                                         |
| iii) | Name of the Company                                                       | : The India Cements Limited                                                                                                                                                                                                                                                                                                          |
| iv)  | Category / Sub-Category of the Company                                    | : Public Limited Company                                                                                                                                                                                                                                                                                                             |
| v)   | Address of the Registered office and contact details                      | : 'Dhun Building', 827, Anna Salai,<br>Chennai - 600002<br>Phone : 044-2852 1526 / 28572 100 / 400<br>Fax: 044-2851 7198<br>Email: investor@indiacements.co.in                                                                                                                                                                       |
| vi)  | Whether listed company Yes / No                                           | : Yes                                                                                                                                                                                                                                                                                                                                |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | : Integrated Registry Management Services Private Limited,<br>[formerly Integrated Enterprises (India) Limited]<br>2 <sup>nd</sup> Floor, "Kences Towers", No.1, Ramakrishna Street,<br>North Usman Road, T. Nagar, Chennai - 600017.<br>Phone : 044-28140801 to 28140803<br>Fax: 044-28142479<br>Email: corpserv@integratedindia.in |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

| Sl. No | Name and Description of main products / services | NIC code of the product / service | % to total turnover of the Company |
|--------|--------------------------------------------------|-----------------------------------|------------------------------------|
| 1      | Cement / Clinker                                 | 2521                              | 96.83                              |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No | Name and Address of the Company                                                                       | CIN / GLN             | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|--------|-------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------|------------------|--------------------|
| 1      | Industrial Chemicals and Monomers Limited<br>145 Madurai Road, Sankarnagar P.O.<br>Tirunelveli 627357 | U24111TN1979PLC007911 | Subsidiary                       | 98.59%           | Sec.2(87)(ii)      |
| 2      | ICL Financial Services Limited<br>'Dhun Building', 827, Anna Salai, Chennai 600002                    | U65991TN1993PLC026056 | Subsidiary                       | 100.00%          | Sec.2(87)(ii)      |

| Sl. No | Name and Address of the Company                                                                                                                      | CIN / GLN                                                         | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------|------------------|--------------------|
| 3      | ICL Securities Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002.                                                                         | U65993TN1994PLC029713                                             | Subsidiary                       | 100.00%          | Sec.2(87)(ii)      |
| 4      | ICL International Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002.                                                                      | U51909TN1993PLC026057                                             | Subsidiary                       | 100.00%          | Sec.2(87)(ii)      |
| 5      | Coromandel Electric Company Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002.                                                            | U45207TN1997PLC038219                                             | Subsidiary                       | 58.57%           | Sec.2(87)(ii)      |
| 6      | India Cements Infrastructures Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002.                                                          | U74999TN2013PLC089487                                             | Subsidiary                       | 100.00%          | Sec.2(87)(ii)      |
| 7      | Trinetra Cement Limited,<br>(Amalgamated with The India Cements Limited)<br>'Dhun Building', 827, Anna Salai, Chennai 600002.                        | L99999TN1987PLC082730                                             | Subsidiary                       | 61.22%           | Sec.2(87)(ii)      |
| 8      | Trishul Concrete Products Limited,<br>(Amalgamated with The India Cements Limited)<br>'Dhun Building', 827, Anna Salai, Chennai 600002.              | U26956TN1999PLC042773                                             | Subsidiary                       | 88.47%           | Sec.2(87)(ii)      |
| 9      | Coromandel Travels Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002                                                                      | U63040TN2007PLC064854                                             | Subsidiary                       | 98.50%           | Sec.2(87)(ii)      |
| 10     | PT. Coromandel Minerals Resources,<br>Jjung Menteng Business Centre<br>Blok B-5,Jalan Raya Bekasi, Km. 25 Cakung,<br>Jakarta Timur 13960, Indonesia. | Foreign Company<br>71/1.824.7/2008<br>(Incorporated in Indonesia) | Foreign Subsidiary               | 100.00%          | Sec.2(87)(ii)      |
| 11     | Coromandel Minerals Pte. Ltd.,<br>24, Raffles Place, #18-00, Clifford Centre,<br>Singapore 048621.                                                   | Foreign Company<br>200918251D<br>(Incorporated in Singapore)      | Foreign Subsidiary               | 100.00%          | Sec.2(87)(ii)      |
| 12     | Raasi Cement Limited,<br>White House, Block III B, 3 <sup>rd</sup> Floor, 6-3-1192/1/1,<br>Kundanbagh, Begumpet, Hyderabad 500016                    | U26942TG1978PLC002288                                             | Associate                        | 28.94%           | Sec.2(6)           |
| 13     | Coromandel Sugars Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002                                                                       | U15421TN1996PLC035549                                             | Associate                        | 49.99%           | Sec.2(6)           |
| 14     | India Cements Capital Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002                                                                   | L65191TN1985PLC012362                                             | Associate                        | 47.91%           | Sec.2(6)           |
| 15     | Unique Receivable Management Pvt. Limited,<br>'Dhun Building', 827, Anna Salai, Chennai 600002                                                       | U67200TN2002PTC048428                                             | Associate                        | 49.20%           | Sec.2(6)           |



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup 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 |                          |
| <b>A. Promoters</b>                                                              |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| <b>1 Indian</b>                                                                  |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| a) Individual/HUF                                                                | 20015896                                        | 0              | 20015896         | 6.51              | 20015896                                  | 0              | 20015896         | 6.51              | 0.00                     |
| b) Central Govt                                                                  | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| c) State Govt (s)                                                                | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| d) Bodies Corp.                                                                  | 66168057                                        | 0              | 66168057         | 21.54             | 66168057                                  | 0              | 66168057         | 21.54             | 0.00                     |
| e) Banks / FI                                                                    | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| f) Any Other Directors & Relatives                                               | 749435                                          | 0              | 749435           | 0.25              | 749435                                    | 0              | 749435           | 0.25              | 0.00                     |
| <b>Sub-total (A) (1)</b>                                                         | <b>86933388</b>                                 | <b>0</b>       | <b>86933388</b>  | <b>28.30</b>      | <b>86933388</b>                           | <b>0</b>       | <b>86933388</b>  | <b>28.30</b>      | <b>0.00</b>              |
| <b>2 Foreign</b>                                                                 |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| a) NRIs - Individuals                                                            | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| b) Other - Individuals                                                           | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| c) Bodies Corp.                                                                  | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| d) Banks / FI                                                                    | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| e) Any Other                                                                     | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| <b>Sub-total (A) (2)</b>                                                         | <b>—</b>                                        | <b>—</b>       | <b>—</b>         | <b>—</b>          | <b>—</b>                                  | <b>—</b>       | <b>—</b>         | <b>—</b>          | <b>—</b>                 |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>                        | <b>86933388</b>                                 | <b>0</b>       | <b>86933388</b>  | <b>28.30</b>      | <b>86933388</b>                           | <b>0</b>       | <b>86933388</b>  | <b>28.30</b>      | <b>0.00</b>              |
| <b>B. Public Shareholding</b>                                                    |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| <b>1. Institutions</b>                                                           |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| a) Mutual Funds                                                                  | 27347191                                        | 14490          | 27361681         | 8.91              | 44251255                                  | 14490          | 44265745         | 14.41             | 5.50                     |
| b) Banks / FI                                                                    | 1120956                                         | 7925           | 1128881          | 0.37              | 930480                                    | 7925           | 938405           | 0.30              | (0.07)                   |
| c) Central Govt                                                                  | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| d) State Govt(s)                                                                 | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| e) Venture Capital Funds                                                         | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| f) Insurance Companies                                                           | 21917788                                        | 250            | 21918038         | 7.13              | 19133352                                  | 250            | 19133602         | 6.23              | (0.90)                   |
| g) FIs / FPIs                                                                    | 79646048                                        | 41700          | 79687748         | 25.94             | 77098331                                  | 41700          | 77140031         | 25.11             | (0.83)                   |
| h) Foreign Venture Capital Funds                                                 | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| i) Alternate Investment Funds                                                    | 0                                               | 0              | 0                | 0.00              | 580000                                    | 0              | 580000           | 0.19              | 0.19                     |
| j) Others (specify)                                                              | —                                               | —              | —                | —                 | —                                         | —              | —                | —                 | —                        |
| <b>Sub-total (B)(1)</b>                                                          | <b>130031983</b>                                | <b>64365</b>   | <b>130096348</b> | <b>42.35</b>      | <b>141993418</b>                          | <b>64365</b>   | <b>142057783</b> | <b>46.24</b>      | <b>3.89</b>              |
| <b>2. Non-Institutions</b>                                                       |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| a) Bodies Corp.                                                                  |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| i) Indian                                                                        | 40959384                                        | 41775          | 41001159         | 13.35             | 29091148                                  | 52188          | 29143336         | 9.49              | (3.86)                   |
| ii) Overseas                                                                     | 0                                               | 500            | 500              | 0.00              | 0                                         | 500            | 500              | 0.00              | —                        |
| b) Individuals                                                                   |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakh          | 25902901                                        | 1210242        | 27113143         | 8.83              | 22570985                                  | 1168847        | 23739832         | 7.73              | (1.10)                   |
| ii) Individual Shareholders holding nominal share capital in excess of Rs 1 lakh | 14101648                                        | 85682          | 14187330         | 4.62              | 16464526                                  | 85682          | 16550208         | 5.39              | 0.77                     |
| c) Others (specify)                                                              |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| Directors & Relatives                                                            | 22440                                           | 21500          | 43940            | 0.01              | 4000                                      | 20000          | 24000            | 0.01              | —                        |
| Foreign Corporate Body                                                           | 4000                                            | 0              | 4000             | 0.00              | 495448                                    | 0              | 495448           | 0.16              | 0.16                     |
| Non-Resident Individuals                                                         | 1256717                                         | 5358           | 1262075          | 0.41              | 1671224                                   | 5358           | 1676582          | 0.55              | 0.14                     |
| Foreign National (Enemy Property)                                                | 11854                                           | 0              | 11854            | 0.00              | 11854                                     | 0              | 11854            | 0.00              | —                        |
| Trust                                                                            | 67211                                           | 0              | 67211            | 0.02              | 66328                                     | 0              | 66328            | 0.02              | —                        |
| Hindu Undivided Families                                                         | 1370200                                         | 0              | 1370200          | 0.45              | 1021072                                   | 0              | 1021072          | 0.33              | (0.12)                   |
| Clearing Member                                                                  | 1552187                                         | 0              | 1552187          | 0.51              | 3684631                                   | 0              | 3684631          | 1.20              | 0.69                     |
| Limited Liability Partnership                                                    | 43373                                           | 0              | 43373            | 0.01              | 52251                                     | 0              | 52251            | 0.02              | 0.01                     |
| <b>Sub-total (B)(2)</b>                                                          | <b>85291915</b>                                 | <b>1365057</b> | <b>86656972</b>  | <b>28.21</b>      | <b>75133467</b>                           | <b>1332575</b> | <b>76466042</b>  | <b>24.90</b>      | <b>(3.31)</b>            |
| <b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>                           | <b>215323898</b>                                | <b>1429422</b> | <b>216753320</b> | <b>70.56</b>      | <b>217126885</b>                          | <b>1396940</b> | <b>218523825</b> | <b>71.14</b>      | <b>0.58</b>              |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |                                                 |                |                  |                   |                                           |                |                  |                   |                          |
| Global Depository Receipts (GDRs)                                                | 0                                               | 11437          | 11437            | 0.00              | 0                                         | 0              | 0                | 0.00              | —                        |
| Global Depository Shares (GDSs)                                                  | 3480512                                         | 0              | 3480512          | 1.14              | 1721444                                   | 0              | 1721444          | 0.56              | (0.58)                   |
| <b>Sub-total (C)</b>                                                             | <b>3480512</b>                                  | <b>11437</b>   | <b>3491949</b>   | <b>1.14</b>       | <b>1721444</b>                            | <b>0</b>       | <b>1721444</b>   | <b>0.56</b>       | <b>(0.58)</b>            |
| <b>Grand Total (A+B+C)</b>                                                       | <b>305737798</b>                                | <b>1440859</b> | <b>307178657</b> | <b>100.00</b>     | <b>305781717</b>                          | <b>1396940</b> | <b>307178657</b> | <b>100.00</b>     | <b>—</b>                 |

**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 share holding during the year |
|---------|--------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------|
|         |                                      | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares |                                           |
| 1       | EWS Finance & Investments Pvt Ltd    | 27643432                                  | 9.00                             | 8.99                                             | 27643432                            | 9.00                             | 8.99                                             | 0.00                                      |
| 2       | Prince Holdings (Madras) Private Ltd | 25500000                                  | 8.30                             | 8.30                                             | 25500000                            | 8.30                             | 8.30                                             | 0.00                                      |
| 3       | Anna Investments Private Ltd         | 13024625                                  | 4.24                             | 4.23                                             | 13024625                            | 4.24                             | 4.23                                             | 0.00                                      |
| 4       | Mr. Srinivasan N                     | 634415                                    | 0.21                             | 0.00                                             | 634415                              | 0.21                             | 0.00                                             | 0.00                                      |
| 5       | Mrs. Chitra Srinivasan               | 78580                                     | 0.03                             | 0.00                                             | 78580                               | 0.03                             | 0.00                                             | 0.00                                      |
| 6       | Ms. Rupa Gurunath                    | 36440                                     | 0.01                             | 0.00                                             | 36440                               | 0.01                             | 0.00                                             | 0.00                                      |
| 7       | Mrs. Vidya Subramanian (Trustee)     | 19954024                                  | 6.50                             | 0.00                                             | 19954024                            | 6.50                             | 0.00                                             | 0.00                                      |
| 8       | Mr. S.K. Asokh Baalaje               | 59932                                     | 0.01                             | 0.00                                             | 59932                               | 0.01                             | 0.00                                             | 0.00                                      |
| 9       | Mrs. Rajam Krishnamoorthy            | 1940                                      | 0.00                             | 0.00                                             | 1940                                | 0.00                             | 0.00                                             | 0.00                                      |
|         | <b>Total</b>                         | <b>86933388</b>                           | <b>28.30</b>                     | <b>21.52</b>                                     | <b>86933388</b>                     | <b>28.30</b>                     | <b>21.52</b>                                     | <b>0.00</b>                               |

**iii) Change in Promoters' Shareholding (please specify, if there is no change) :**

|     | Shareholding at the beginning of the year |                                  | Data wise increase / Decrease in Promoters Shareholding during the year |                                                                                        |               | Cumulative Shareholding during the year |                                  |
|-----|-------------------------------------------|----------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|
|     | No. of shares                             | % of total shares of the Company | Date                                                                    | Reason for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of shares | No. of shares                           | % of total shares of the Company |
| NIL |                                           |                                  |                                                                         |                                                                                        |               |                                         |                                  |

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

| Sl. No. | For Each of the Top 10 Shareholders                                                                                                                                                                                                                                                                                               | Shareholding at the beginning of the year |                                  | Increase / Decrease in Shareholding during the year |                                                                                         |               | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|         |                                                                                                                                                                                                                                                                                                                                   | No. of Shares                             | % of total Shares of the Company | Date                                                | Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of Shares | No. of Shares                           | % of total Shares of the Company | No. of Shares                       | % of total Shares of the Company |
| 1       | Reliance Capital Trustee Co Ltd A/C - Reliance Regular Savings Fund - Balanced Option, Reliance Regular Savings Fund - Equity Option, Reliance Mid & Small Cap Fund, Reliance Capital Builder Fund 2 SR C, Reliance Capital Builder Fund - SR A, Reliance arbitrage Advantage Fund, Reliance small Cap Fund, Reliance Growth Fund | 10589231                                  | 3.44                             | 17/06/2016                                          | Sale                                                                                    | -54000        | 10535231                                | 3.43                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 30/06/2016                                          | Sale                                                                                    | -84000        | 10451231                                | 3.40                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 01/07/2016                                          | Purchase                                                                                | 500000        | 10951231                                | 3.57                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 15/07/2016                                          | Purchase                                                                                | 1484694       | 12435925                                | 4.05                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 22/07/2016                                          | Purchase                                                                                | 118000        | 12553925                                | 4.09                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 29/07/2016                                          | Purchase                                                                                | 72500         | 12626425                                | 4.11                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 05/08/2016                                          | Purchase                                                                                | 700000        | 13326425                                | 4.34                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 19/08/2016                                          | Sale                                                                                    | -1722000      | 11604425                                | 3.78                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 09/09/2016                                          | Purchase                                                                                | 64000         | 11668425                                | 3.80                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 07/10/2016                                          | Purchase                                                                                | 1021000       | 12689425                                | 4.13                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 14/10/2016                                          | Purchase                                                                                | 56000         | 12745425                                | 4.15                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 04/11/2016                                          | Sale                                                                                    | -68989        | 12676436                                | 4.13                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 11/11/2016                                          | Purchase                                                                                | 3500          | 12679936                                | 4.13                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 25/11/2016                                          | Purchase                                                                                | 2250000       | 14929936                                | 4.86                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                   |                                           |                                  | 02/12/2016                                          | Purchase                                                                                | 2113364       | 17043300                                | 5.55                             |                                     |                                  |



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

| Sl. No. | For Each of the Top 10 Shareholders                                                                                                                                                                                                                                                                                                                                                                         | Shareholding at the beginning of the year |                                  | Increase / Decrease in Shareholding during the year |                                                                                         |               | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|         |                                                                                                                                                                                                                                                                                                                                                                                                             | No. of Shares                             | % of total Shares of the Company | Date                                                | Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of Shares | No. of Shares                           | % of total Shares of the Company | No. of Shares                       | % of total Shares of the Company |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 09/12/2016                                          | Purchase                                                                                | 1606300       | 18649600                                | 6.07                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 23/12/2016                                          | Purchase                                                                                | 565500        | 19215100                                | 6.26                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 30/12/2016                                          | Purchase                                                                                | 767000        | 19982100                                | 6.51                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 06/01/2017                                          | Purchase                                                                                | 38500         | 20020600                                | 6.52                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 13/01/2017                                          | Purchase                                                                                | 1000000       | 21020600                                | 6.84                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 20/01/2017                                          | Purchase                                                                                | 250000        | 21270600                                | 6.93                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 27/01/2017                                          | Purchase                                                                                | 200000        | 21470600                                | 6.99                             | 21470600                            | 6.99                             |
| 2       | Trishul Investments Private Limited                                                                                                                                                                                                                                                                                                                                                                         | 17525976                                  | 5.71                             | -                                                   | -                                                                                       | -             | -                                       | -                                | 17525976                            | 5.71                             |
| 3       | Life Insurance Corporation of India                                                                                                                                                                                                                                                                                                                                                                         | 18609745                                  | 6.06                             | 22/07/2016                                          | Sale                                                                                    | -911810       | 17697685                                | 5.76                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 29/07/2016                                          | Sale                                                                                    | -527626       | 17170059                                | 5.59                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 05/08/2016                                          | Sale                                                                                    | -350000       | 16820059                                | 5.48                             | 16820309                            | 5.48                             |
| 4       | ELM Park Fund Limited                                                                                                                                                                                                                                                                                                                                                                                       | 15361746                                  | 5.00                             | 11/11/2016                                          | Purchase                                                                                | 1700000       | 17061746                                | 5.55                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 18/11/2016                                          | Purchase                                                                                | 121750        | 17183496                                | 5.59                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 03/02/2017                                          | Sale                                                                                    | -700000       | 16483496                                | 5.37                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 10/02/2017                                          | Sale                                                                                    | -200000       | 16283496                                | 5.30                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 24/02/2017                                          | Sale                                                                                    | -200000       | 16083496                                | 5.24                             | 16083496                            | 5.24                             |
| 5.      | Sundaram Mutual Fund A/C Sundaram Balanced Fund, Sundaram Infrastructure Advantage Fund, Sundaram Long Term Micro Cap Tax Advantage Fund Series III, Sundaram Long Term Tax Advantage Fund, Sundaram Long Term Tax Advantage Fund-Series-II, Sundaram Monthly Income Plan - Aggressive Plan, Sundaram Rural India Fund, Sundaram Select Micro Cap Series XI, Sundaram Select Micro Cap Series XII, Sundaram | 4325992                                   | 1.41                             | 06/05/2016                                          | Sale                                                                                    | -44236        | 4281756                                 | 1.39                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 15/07/2016                                          | Purchase                                                                                | 33362         | 4315118                                 | 1.41                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 29/07/2016                                          | Purchase                                                                                | 200000        | 4515118                                 | 1.47                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 05/08/2016                                          | Purchase                                                                                | 45000         | 4560118                                 | 1.49                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 26/08/2016                                          | Purchase                                                                                | 1210959       | 5771077                                 | 1.88                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 02/09/2016                                          | Sale                                                                                    | -97326        | 5673751                                 | 1.85                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 09/09/2016                                          | Purchase                                                                                | 60587         | 5734338                                 | 1.87                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 23/09/2016                                          | Sale                                                                                    | -124507       | 5609831                                 | 1.83                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 07/10/2016                                          | Purchase                                                                                | 51573         | 5661404                                 | 1.84                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 21/10/2016                                          | Sale                                                                                    | -39017        | 5622387                                 | 1.83                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 11/11/2016                                          | Purchase                                                                                | 12046         | 5634433                                 | 1.83                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 25/11/2016                                          | Sale                                                                                    | -7500         | 5626933                                 | 1.83                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 09/12/2016                                          | Purchase                                                                                | 195560        | 5822493                                 | 1.90                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 30/12/2016                                          | Purchase                                                                                | 8100          | 5830593                                 | 1.90                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 06/01/2017                                          | Sale                                                                                    | -67172        | 5763421                                 | 1.88                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 13/01/2017                                          | Purchase                                                                                | 7154          | 5770575                                 | 1.88                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                                  | 20/01/2017                                          | Purchase                                                                                | 250969        | 6021544                                 | 1.96                             |                                     |                                  |

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

| Sl. No. | For Each of the Top 10 Shareholders                                                                                                                                                                                                                                                                                                                                       | Shareholding at the beginning of the year |                                  | Increase / Decrease in Shareholding during the year |                                                                                         |               | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|         |                                                                                                                                                                                                                                                                                                                                                                           | No. of Shares                             | % of total Shares of the Company | Date                                                | Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of Shares | No. of Shares                           | % of total Shares of the Company | No. of Shares                       | % of total Shares of the Company |
|         | Select Microcap Series IX, Sundaram Select Microcap Series V, Sundaram Select Microcap Series VI, Sundaram Select Microcap Series VII, Sundaram Select Microcap Series VIII, Sundaram Select Microcap Series X, Sundaram Smile Fund, Sundaram Value Fund - Series - III, Sundaram Value Fund - Series VII, Sundaram Value Fund Series - I, Sundaram Value Fund Series- II |                                           |                                  | 03/02/2017                                          | Purchase                                                                                | 101789        | 6123333                                 | 1.99                             | 6632420                             | 2.16                             |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 10/02/2017                                          | Purchase                                                                                | 181972        | 6305305                                 | 2.05                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 17/02/2017                                          | Purchase                                                                                | 145000        | 6450305                                 | 2.10                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 24/02/2017                                          | Purchase                                                                                | 50000         | 6500305                                 | 2.12                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 03/03/2017                                          | Purchase                                                                                | 250000        | 6750305                                 | 2.20                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 17/03/2017                                          | Purchase                                                                                | 18248         | 6768553                                 | 2.20                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 24/03/2017                                          | Purchase                                                                                | 20791         | 6789344                                 | 2.21                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 31/03/2017                                          | Sale                                                                                    | -156924       | 6632420                                 | 2.16                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  |                                                     |                                                                                         |               |                                         |                                  |                                     |                                  |
| 6       | Goldman Sachs India Limited                                                                                                                                                                                                                                                                                                                                               | 1029856                                   | 0.33                             | 16/12/2016                                          | Purchase                                                                                | 2627593       | 3657449                                 | 1.19                             | 5710087                             | 1.86                             |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 23/12/2016                                          | Purchase                                                                                | 200000        | 3857449                                 | 1.26                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 27/01/2017                                          | Purchase                                                                                | 1506515       | 5363964                                 | 1.75                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 31/03/2017                                          | Purchase                                                                                | 346123        | 5710087                                 | 1.86                             |                                     |                                  |
| 7       | L & T Mutual Fund Trustee Ltd- L & T Dynamic Equity Fund, L & T Equity Fund, L & T India Special Situations Fund, L & T India Value Fund, L & T Monthly Income Plan, L & T Arbitrage Opportunities Fund                                                                                                                                                                   | 150000                                    | 0.05                             | 15/04/2016                                          | Purchase                                                                                | 30000         | 180000                                  | 0.06                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 06/05/2016                                          | Purchase                                                                                | 324000        | 504000                                  | 0.16                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 20/05/2016                                          | Sale                                                                                    | -48000        | 456000                                  | 0.15                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 27/05/2016                                          | Sale                                                                                    | -138000       | 318000                                  | 0.10                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 03/06/2016                                          | Purchase                                                                                | 228000        | 546000                                  | 0.18                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 10/06/2016                                          | Purchase                                                                                | 1334000       | 1880000                                 | 0.61                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 17/06/2016                                          | Purchase                                                                                | 652446        | 2532446                                 | 0.82                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 24/06/2016                                          | Purchase                                                                                | 60854         | 2593300                                 | 0.84                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 30/06/2016                                          | Sale                                                                                    | -168000       | 2425300                                 | 0.79                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 15/07/2016                                          | Purchase                                                                                | 89900         | 2515200                                 | 0.82                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 22/07/2016                                          | Purchase                                                                                | 150000        | 2665200                                 | 0.87                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 29/07/2016                                          | Purchase                                                                                | 100000        | 2765200                                 | 0.90                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 05/08/2016                                          | Purchase                                                                                | 100000        | 2865200                                 | 0.93                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 12/08/2016                                          | Purchase                                                                                | 21000         | 2886200                                 | 0.94                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 19/08/2016                                          | Sale                                                                                    | -70000        | 2816200                                 | 0.92                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 26/08/2016                                          | Purchase                                                                                | 253500        | 3069700                                 | 1.00                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 30/09/2016                                          | Sale                                                                                    | -21000        | 3048700                                 | 0.99                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 21/10/2016                                          | Purchase                                                                                | 100000        | 3148700                                 | 1.03                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 04/11/2016                                          | Sale                                                                                    | -45500        | 3103200                                 | 1.01                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 11/11/2016                                          | Sale                                                                                    | -56000        | 3047200                                 | 0.99                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 25/11/2016                                          | Purchase                                                                                | 304500        | 3351700                                 | 1.09                             |                                     |                                  |
|         |                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                  | 09/12/2016                                          | Sale                                                                                    | -31500        | 3320200                                 | 1.08                             |                                     |                                  |



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

| Sl. No. | For Each of the Top 10 Shareholders      | Shareholding at the beginning of the year |                                  | Increase / Decrease in Shareholding during the year |                                                                                         |               | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|         |                                          | No. of Shares                             | % of total Shares of the Company | Date                                                | Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of Shares | No. of Shares                           | % of total Shares of the Company | No. of Shares                       | % of total Shares of the Company |
|         |                                          |                                           |                                  | 23/12/2016                                          | Purchase                                                                                | 10500         | 3330700                                 | 1.08                             |                                     |                                  |
|         |                                          |                                           |                                  | 30/12/2016                                          | Purchase                                                                                | 210000        | 3540700                                 | 1.15                             |                                     |                                  |
|         |                                          |                                           |                                  | 13/01/2017                                          | Purchase                                                                                | 55000         | 3595700                                 | 1.17                             |                                     |                                  |
|         |                                          |                                           |                                  | 20/01/2017                                          | Purchase                                                                                | 33000         | 3628700                                 | 1.18                             |                                     |                                  |
|         |                                          |                                           |                                  | 27/01/2017                                          | Purchase                                                                                | 42808         | 3671508                                 | 1.20                             |                                     |                                  |
|         |                                          |                                           |                                  | 03/02/2017                                          | Purchase                                                                                | 1026600       | 4698108                                 | 1.53                             |                                     |                                  |
|         |                                          |                                           |                                  | 10/02/2017                                          | Purchase                                                                                | 550202        | 5248310                                 | 1.71                             |                                     |                                  |
|         |                                          |                                           |                                  | 17/02/2017                                          | Purchase                                                                                | 170500        | 5418810                                 | 1.76                             |                                     |                                  |
|         |                                          |                                           |                                  | 24/02/2017                                          | Purchase                                                                                | 3170275       | 8589085                                 | 2.80                             |                                     |                                  |
|         |                                          |                                           |                                  | 03/03/2017                                          | Purchase                                                                                | 315           | 8589400                                 | 2.80                             |                                     |                                  |
|         |                                          |                                           |                                  | 10/03/2017                                          | Sale                                                                                    | -236574       | 8352826                                 | 2.72                             |                                     |                                  |
|         |                                          |                                           |                                  | 17/03/2017                                          | Sale                                                                                    | -2518926      | 5833900                                 | 1.90                             |                                     |                                  |
|         |                                          |                                           |                                  | 24/03/2017                                          | Sale                                                                                    | -881600       | 4952300                                 | 1.61                             |                                     |                                  |
|         |                                          |                                           |                                  | 31/03/2017                                          | Sale                                                                                    | -505000       | 4447300                                 | 1.45                             | 4447300                             | 1.45                             |
| 8       | Mr.Radhakishan S Damani                  | 4659263                                   | 1.52                             | 01/04/2016                                          | Sale                                                                                    | -40000        | 4619263                                 | 1.50                             |                                     |                                  |
|         |                                          |                                           |                                  | 22/04/2016                                          | Purchase                                                                                | 200000        | 4819263                                 | 1.57                             |                                     |                                  |
|         |                                          |                                           |                                  | 29/04/2016                                          | Purchase                                                                                | 100000        | 4919263                                 | 1.60                             |                                     |                                  |
|         |                                          |                                           |                                  | 06/05/2016                                          | Purchase                                                                                | 421733        | 5340996                                 | 1.74                             |                                     |                                  |
|         |                                          |                                           |                                  | 13/05/2016                                          | Purchase                                                                                | 166267        | 5507263                                 | 1.79                             |                                     |                                  |
|         |                                          |                                           |                                  | 27/05/2016                                          | Purchase                                                                                | 500000        | 6007263                                 | 1.96                             |                                     |                                  |
|         |                                          |                                           |                                  | 03/06/2016                                          | Sale                                                                                    | -170000       | 5837263                                 | 1.90                             |                                     |                                  |
|         |                                          |                                           |                                  | 09/12/2016                                          | Sale                                                                                    | -200000       | 5637263                                 | 1.84                             |                                     |                                  |
|         |                                          |                                           |                                  | 16/12/2016                                          | Sale                                                                                    | -200000       | 5437263                                 | 1.77                             |                                     |                                  |
|         |                                          |                                           |                                  | 23/12/2016                                          | Sale                                                                                    | -200000       | 5237263                                 | 1.71                             |                                     |                                  |
|         |                                          |                                           |                                  | 30/12/2016                                          | Sale                                                                                    | -200000       | 5037263                                 | 1.64                             |                                     |                                  |
|         |                                          |                                           |                                  | 31/03/2017                                          | Sale                                                                                    | -200000       | 4837263                                 | 1.58                             | 4837263                             | 1.58                             |
| 9       | Morgan Stanley Mauritius Company Limited | 273341                                    | 0.09                             | 29/04/2016                                          | Sale                                                                                    | -24088        | 249253                                  | 0.08                             |                                     |                                  |
|         |                                          |                                           |                                  | 06/05/2016                                          | Purchase                                                                                | 30000         | 279253                                  | 0.09                             |                                     |                                  |
|         |                                          |                                           |                                  | 20/05/2016                                          | Sale                                                                                    | -42000        | 237253                                  | 0.08                             |                                     |                                  |
|         |                                          |                                           |                                  | 27/05/2016                                          | Sale                                                                                    | -155912       | 81341                                   | 0.03                             |                                     |                                  |
|         |                                          |                                           |                                  | 03/06/2016                                          | Purchase                                                                                | 324101        | 405442                                  | 0.13                             |                                     |                                  |
|         |                                          |                                           |                                  | 10/06/2016                                          | Purchase                                                                                | 6000          | 411442                                  | 0.13                             |                                     |                                  |
|         |                                          |                                           |                                  | 17/06/2016                                          | Purchase                                                                                | 301686        | 713128                                  | 0.23                             |                                     |                                  |
|         |                                          |                                           |                                  | 01/07/2016                                          | Purchase                                                                                | 9761          | 722889                                  | 0.24                             |                                     |                                  |
|         |                                          |                                           |                                  | 08/07/2016                                          | Purchase                                                                                | 845639        | 1568528                                 | 0.51                             |                                     |                                  |
|         |                                          |                                           |                                  | 15/07/2016                                          | Sale                                                                                    | -31939        | 1536589                                 | 0.50                             |                                     |                                  |
|         |                                          |                                           |                                  | 22/07/2016                                          | Purchase                                                                                | 738544        | 2275133                                 | 0.74                             |                                     |                                  |
|         |                                          |                                           |                                  | 29/07/2016                                          | Sale                                                                                    | -12242        | 2262891                                 | 0.74                             |                                     |                                  |
|         |                                          |                                           |                                  | 05/08/2016                                          | Purchase                                                                                | 408424        | 2671315                                 | 0.87                             |                                     |                                  |
|         |                                          |                                           |                                  | 12/08/2016                                          | Purchase                                                                                | 356738        | 3028053                                 | 0.99                             |                                     |                                  |
|         |                                          |                                           |                                  | 19/08/2016                                          | Sale                                                                                    | -2484         | 3025569                                 | 0.99                             |                                     |                                  |



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

| Sl. No. | For Each of the Top 10 Shareholders     | Shareholding at the beginning of the year |                                  | Increase / Decrease in Shareholding during the year |                                                                                         |               | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|-----------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|-----------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|         |                                         | No. of Shares                             | % of total Shares of the Company | Date                                                | Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No. of Shares | No. of Shares                           | % of total Shares of the Company | No. of Shares                       | % of total Shares of the Company |
|         |                                         |                                           |                                  | 26/08/2016                                          | Sale                                                                                    | -2976569      | 49000                                   | 0.02                             | 3969834                             | 1.29                             |
|         |                                         |                                           |                                  | 02/09/2016                                          | Purchase                                                                                | 1334965       | 1383965                                 | 0.45                             |                                     |                                  |
|         |                                         |                                           |                                  | 09/09/2016                                          | Purchase                                                                                | 917162        | 2301127                                 | 0.75                             |                                     |                                  |
|         |                                         |                                           |                                  | 16/09/2016                                          | Purchase                                                                                | 333709        | 2634836                                 | 0.86                             |                                     |                                  |
|         |                                         |                                           |                                  | 23/09/2016                                          | Purchase                                                                                | 83204         | 2718040                                 | 0.89                             |                                     |                                  |
|         |                                         |                                           |                                  | 30/09/2016                                          | Purchase                                                                                | 229376        | 2947416                                 | 0.96                             |                                     |                                  |
|         |                                         |                                           |                                  | 07/10/2016                                          | Purchase                                                                                | 98000         | 3045416                                 | 0.99                             |                                     |                                  |
|         |                                         |                                           |                                  | 14/10/2016                                          | Sale                                                                                    | -189793       | 2855623                                 | 0.93                             |                                     |                                  |
|         |                                         |                                           |                                  | 21/10/2016                                          | Sale                                                                                    | -130067       | 2725556                                 | 0.89                             |                                     |                                  |
|         |                                         |                                           |                                  | 28/10/2016                                          | Sale                                                                                    | -747475       | 1978081                                 | 0.64                             |                                     |                                  |
|         |                                         |                                           |                                  | 04/11/2016                                          | Sale                                                                                    | -285481       | 1692600                                 | 0.55                             |                                     |                                  |
|         |                                         |                                           |                                  | 11/11/2016                                          | Sale                                                                                    | -761113       | 931487                                  | 0.30                             |                                     |                                  |
|         |                                         |                                           |                                  | 18/11/2016                                          | Purchase                                                                                | 275728        | 1207215                                 | 0.39                             |                                     |                                  |
|         |                                         |                                           |                                  | 25/11/2016                                          | Sale                                                                                    | -456048       | 751167                                  | 0.25                             |                                     |                                  |
|         |                                         |                                           |                                  | 02/12/2016                                          | Purchase                                                                                | 496532        | 1247699                                 | 0.41                             |                                     |                                  |
|         |                                         |                                           |                                  | 09/12/2016                                          | Purchase                                                                                | 87575         | 1335274                                 | 0.44                             |                                     |                                  |
|         |                                         |                                           |                                  | 16/12/2016                                          | Sale                                                                                    | -669985       | 665289                                  | 0.22                             |                                     |                                  |
|         |                                         |                                           |                                  | 23/12/2016                                          | Purchase                                                                                | 20165         | 685454                                  | 0.22                             |                                     |                                  |
|         |                                         |                                           |                                  | 30/12/2016                                          | Purchase                                                                                | 42834         | 728288                                  | 0.24                             |                                     |                                  |
|         |                                         |                                           |                                  | 06/01/2017                                          | Purchase                                                                                | 305933        | 1034221                                 | 0.34                             |                                     |                                  |
|         |                                         |                                           |                                  | 13/01/2017                                          | Sale                                                                                    | -18183        | 1016038                                 | 0.33                             |                                     |                                  |
|         |                                         |                                           |                                  | 20/01/2017                                          | Sale                                                                                    | -8761         | 1007277                                 | 0.33                             |                                     |                                  |
|         |                                         |                                           |                                  | 27/01/2017                                          | Purchase                                                                                | 7000          | 1014277                                 | 0.33                             |                                     |                                  |
|         |                                         |                                           |                                  | 03/02/2017                                          | Purchase                                                                                | 112000        | 1126277                                 | 0.37                             |                                     |                                  |
|         |                                         |                                           |                                  | 10/02/2017                                          | Purchase                                                                                | 131301        | 1257578                                 | 0.41                             |                                     |                                  |
|         |                                         |                                           |                                  | 17/02/2017                                          | Purchase                                                                                | 337764        | 1595342                                 | 0.52                             |                                     |                                  |
|         |                                         |                                           |                                  | 24/02/2017                                          | Purchase                                                                                | 109992        | 1705334                                 | 0.56                             |                                     |                                  |
|         |                                         |                                           |                                  | 03/03/2017                                          | Purchase                                                                                | 3500          | 1708834                                 | 0.56                             |                                     |                                  |
|         |                                         |                                           |                                  | 10/03/2017                                          | Purchase                                                                                | 10500         | 1719334                                 | 0.56                             |                                     |                                  |
|         |                                         |                                           |                                  | 17/03/2017                                          | Purchase                                                                                | 511000        | 2230334                                 | 0.73                             |                                     |                                  |
|         |                                         |                                           |                                  | 24/03/2017                                          | Purchase                                                                                | 87500         | 2317834                                 | 0.76                             |                                     |                                  |
|         |                                         |                                           |                                  | 31/03/2017                                          | Purchase                                                                                | 1652000       | 3969834                                 | 1.29                             |                                     |                                  |
| 10      | Dimensional Emerging Markets Value Fund | 5038272                                   | 1.64                             | 08/07/2016                                          | Sale                                                                                    | -380739       | 4657533                                 | 1.52                             | 3592377                             | 1.17                             |
|         |                                         |                                           |                                  | 15/07/2016                                          | Sale                                                                                    | -48787        | 4608746                                 | 1.50                             |                                     |                                  |
|         |                                         |                                           |                                  | 16/12/2016                                          | Purchase                                                                                | 16583         | 4625329                                 | 1.51                             |                                     |                                  |
|         |                                         |                                           |                                  | 03/03/2017                                          | Sale                                                                                    | -18543        | 4606786                                 | 1.50                             |                                     |                                  |
|         |                                         |                                           |                                  | 10/03/2017                                          | Sale                                                                                    | -338791       | 4267995                                 | 1.39                             |                                     |                                  |
|         |                                         |                                           |                                  | 17/03/2017                                          | Sale                                                                                    | -279674       | 3988321                                 | 1.30                             |                                     |                                  |
|         |                                         |                                           |                                  | 24/03/2017                                          | Sale                                                                                    | -260210       | 3728111                                 | 1.21                             |                                     |                                  |
|         |                                         |                                           |                                  | 31/03/2017                                          | Sale                                                                                    | -135734       | 3592377                                 | 1.17                             |                                     |                                  |



## v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No.   | For each of the Directors and KMP                 | Shareholding at the beginning of the year |                                  | Datewise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) |               | Shareholding at the End of the year |                                  |
|-----------|---------------------------------------------------|-------------------------------------------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------|----------------------------------|
|           |                                                   | No. of Shares                             | % of total shares of the Company |                                                                                                                                                                     |               | No. of shares                       | % of total shares of the Company |
| <b>I</b>  | <b>DIRECTORS:</b>                                 |                                           |                                  | Date of transfer                                                                                                                                                    | No. of Shares |                                     |                                  |
| 1.        | Sri N. Srinivasan, Managing Director & CEO        | 634415                                    | 0.21                             | –                                                                                                                                                                   | –             | 634415                              | 0.21                             |
| 2.        | Smt. Chitra Srinivasan                            | 78580                                     | 0.03                             | –                                                                                                                                                                   | –             | 78580                               | 0.03                             |
| 3.        | Smt. Rupa Gurunath, Wholetime director            | 36440                                     | 0.01                             | –                                                                                                                                                                   | –             | 36440                               | 0.01                             |
| 4.        | Sri Arun Datta                                    | 4000                                      | 0.00                             | –                                                                                                                                                                   | –             | 4000                                | 0.00                             |
| 5.        | Sri K. Balakrishnan <sup>*1</sup>                 | NA                                        | NA                               | –                                                                                                                                                                   | –             | 17500                               | 0.01                             |
| 6.        | Sri S. Balasubramanian Adityan                    | 20000                                     | 0.00                             | –                                                                                                                                                                   | –             | 20000                               | 0.00                             |
| 7.        | Sri Basavaraju <sup>*3</sup>                      | –                                         | –                                | –                                                                                                                                                                   | –             | NA                                  | NA                               |
| 8.        | Sri R.K. Das <sup>*5</sup>                        | 1500                                      | 0.00                             | –                                                                                                                                                                   | –             | NA                                  | NA                               |
| 9.        | Sri N.R. Krishnan                                 | –                                         | –                                | –                                                                                                                                                                   | –             | –                                   | –                                |
| 10.       | Sri M.R.Kumar <sup>*2</sup>                       | NA                                        | NA                               | –                                                                                                                                                                   | –             | –                                   | –                                |
| 11.       | Sri V. Manickam                                   | –                                         | –                                | –                                                                                                                                                                   | –             | –                                   | –                                |
| 12.       | Sri Rabinarayan Panda                             | –                                         | –                                | –                                                                                                                                                                   | –             | –                                   | –                                |
| 13.       | Sri V. Ranganathan <sup>*1</sup>                  | NA                                        | NA                               | –                                                                                                                                                                   | –             | –                                   | –                                |
| 14.       | Sri PL. Subramanian <sup>*4</sup>                 | 18440                                     | 0.00                             | –                                                                                                                                                                   | –             | NA                                  | NA                               |
| 15.       | Sri N. Srinivasan (F&R)                           | –                                         | –                                | –                                                                                                                                                                   | –             | –                                   | –                                |
| <b>II</b> | <b>KMP:</b>                                       |                                           |                                  |                                                                                                                                                                     |               |                                     |                                  |
| 1.        | Sri S. Sridharan, Company Secretary <sup>*6</sup> | 13057                                     | 0.00                             | –                                                                                                                                                                   | –             | 13057                               | 0.00                             |
| 2.        | Sri R. Srinivasan, Chief Financial Officer        | 25056                                     | 0.01                             | –                                                                                                                                                                   | –             | 25056                               | 0.01                             |

<sup>\*1</sup> Appointed as Independent Director of the Board w.e.f. 29.08.2016.

<sup>\*2</sup> Appointed as a Director of the Board w.e.f. 26.05.2016

<sup>\*3</sup> Ceased to be a Director from the Board w.e.f. 12.04.2016 consequent to his resignation and withdrawal of nomination by Life Insurance Corporation of India.

<sup>\*4</sup> Ceased to be a Director from the Board w.e.f. 17.06.2016.

<sup>\*5</sup> Ceased to be a Director from the Board w.e.f. 24.06.2016.

<sup>\*6</sup> Appointed as Company secretary w.e.f. 01.04.2016.

## V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

(Rs. in Lakhs)

|                                                            | Secured Loans excluding deposits | Unsecured Loans | Deposits    | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|-----------------|-------------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |             |                    |
| i) Principal Amount                                        | 262871.38                        | 52622.72        | 0.00        | 315494.10          |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00        | 0.00               |
| iii) Interest accrued but not due                          | 1452.75                          | 11.75           | 0.00        | 1464.50            |
| <b>Total (i + ii + iii)</b>                                | <b>264324.13</b>                 | <b>52634.47</b> | <b>0.00</b> | <b>316958.60</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |             |                    |
| • Addition                                                 | 163802.00                        | 7699.99         | 0.00        | 171501.99          |
| • Reduction                                                | 186839.91                        | 8027.26         | 0.00        | 194867.17          |
| <b>Net Change</b>                                          | <b>(23037.91)</b>                | <b>(327.27)</b> | <b>0.00</b> | <b>(23365.18)</b>  |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |             |                    |
| i) Principal Amount                                        | 239833.47                        | 52295.45        | 0.00        | 292128.92          |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00        | 0.00               |
| iii) Interest accrued but not due                          | 1966.21                          | 28.85           | 0.00        | 1995.06            |
| <b>Total (i + ii + iii)</b>                                | <b>241799.68</b>                 | <b>52324.30</b> | <b>0.00</b> | <b>294123.98</b>   |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Wholtime Directors and / or Manager (Rs. in Lakhs)

| Sl No. | Particulars of Remuneration                                                         | Sri N.Srinivasan<br>Managing Director & CEO | Smt. Rupa Gurunath<br>Wholtime Director | Total<br>Amount |
|--------|-------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------|-----------------|
| 1.     | Gross salary                                                                        |                                             |                                         |                 |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 733.20                                      | 195.00                                  | 928.20          |
|        | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | 6.35                                        | –                                       | 6.35            |
|        | (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                                                                    | 400.00                                      | 200.00                                  | 600.00          |
|        | - others, specify...                                                                | –                                           | –                                       | –               |
| 5.     | Others, please specify                                                              |                                             |                                         |                 |
|        | • Contribution to Provident Fund                                                    | 67.68                                       | 18.00                                   | 85.68           |
|        | • Contribution to Gratuity & Superannuation Fund                                    | 108.10                                      | 28.75                                   | 136.85          |
|        | • Others                                                                            | –                                           | –                                       | –               |
|        | Total (A)                                                                           | 1315.33                                     | 441.75                                  | 1757.08         |
|        | Ceiling as per the Act                                                              |                                             |                                         | 2939.97         |

### B. Remuneration to other directors: (Rs. in Lakhs)

| Sl No. | Particulars of Remuneration                    | Name of Director |             |                  |                |                        |                               |                     |                    | Total Amount |
|--------|------------------------------------------------|------------------|-------------|------------------|----------------|------------------------|-------------------------------|---------------------|--------------------|--------------|
|        |                                                | Mr.Arun Datta    | Mr.R.K. Das | Mr.N.R. Krishnan | Mr.V. Manickam | Mr.N. Srinivasan (F&R) | Mr.S. Balasubramanian Adityan | Mr. K. Balakrishnan | Mr. V. Ranganathan |              |
| 1.     | Independent Directors                          |                  |             |                  |                |                        |                               |                     |                    |              |
|        | • Fee for attending board / committee meetings | 1.80             | 0.30        | 1.70             | 1.10           | 2.90                   | 1.40                          | 0.40                | 0.80               | 10.40        |
|        | • Commission                                   | –                | –           | –                | –              | –                      | –                             | –                   | –                  | –            |
|        | • Others, please specify                       | –                | –           | –                | –              | –                      | –                             | –                   | –                  | –            |
|        | Total (1)                                      | 1.80             | 0.30        | 1.70             | 1.10           | 2.90                   | 1.40                          | 0.40                | 0.80               | 10.40        |

(Rs. in Lakhs)

| Sl No. | Particulars of Remuneration                    | Name of Director       |                  |                       |                   | Total Amount |
|--------|------------------------------------------------|------------------------|------------------|-----------------------|-------------------|--------------|
|        |                                                | Smt. Chitra Srinivasan | Mr. M.R. Kumar # | Mr.Rabinarayan Panda* | Mr.PL.Subramanian |              |
| 2.     | Other non-executive Directors                  |                        |                  |                       |                   |              |
|        | • Fee for attending board / committee meetings | 1.00                   | 0.40             | 1.00                  | 0.20              | 2.60         |
|        | • Commission                                   | –                      | –                | –                     | –                 | –            |
|        | • Others, please specify                       | –                      | –                | –                     | –                 | –            |
|        | Total (2)                                      | 1.00                   | 0.40             | 1.00                  | 0.20              | 2.60         |
|        | Total (B) = (1 + 2)                            |                        |                  |                       |                   | 13.00        |
|        | Total Managerial Remuneration                  |                        |                  |                       |                   | 1770.08      |
|        | Overall Ceiling as per the Act                 |                        |                  |                       |                   | 2939.97      |

# Paid to Life Insurance Corporation of India \* Paid to IDBI Bank Ltd



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

| Sl No. | Particulars of Remuneration                                                         | Key Managerial Personnel |                         | Total |
|--------|-------------------------------------------------------------------------------------|--------------------------|-------------------------|-------|
|        |                                                                                     | Company Secretary        | Chief Financial Officer |       |
| 1.     | Gross salary                                                                        |                          |                         |       |
|        | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 29.58                    | 42.06                   | 71.64 |
|        | (b) Value of perquisites u/s17(2) of the Income-tax Act, 1961                       | 1.21                     | 0.96                    | 2.17  |
|        | (c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961       | -                        | -                       | -     |
| 2.     | Stock Option                                                                        | -                        | -                       | -     |
| 3.     | Sweat Equity                                                                        | -                        | -                       | -     |
| 4.     | Commission                                                                          | -                        | -                       | -     |
|        | - as % of profit                                                                    | -                        | -                       | -     |
|        | - others, specify...                                                                | -                        | -                       | -     |
| 5.     | Others, please specify                                                              | -                        | -                       | -     |
|        | Total                                                                               | 30.79                    | 43.02                   | 73.81 |

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

| Type                                | Section of the Companies Act, 1956 | Brief Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------|------------------------------------|
| Penalty                             | -                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                                                          | -                             | -                                  |
| Punishment                          | -                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                                                          | -                             | -                                  |
| Compounding                         | -                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                                                          | -                             | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                            |                               |                                    |
| Penalty                             | -                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                                                          | -                             | -                                  |
| Punishment                          | -                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                                                          | -                             | -                                  |
| Compounding                         | 211                                | The Office of the Registrar of Companies (ROC) had filed complaints against the Company at Additional Chief Metropolitan Magistrate Court, Egmore, Chennai for alleged violation of Section 211 of the Companies Act, 1956 (the Act) in the matter of Fuel Surcharge Adjustment (FSA) paid to Andhra Pradesh Electricity Distribution Companies (APDISCOMs) grouped under the head 'Advances' during 2012-13 and non-physical verification of Furniture & Fixtures and Office Equipments during 2008-09. Although the Company has not accepted the alleged violation of said section, to avoid protracted litigation, the alleged offences were compounded and the complaints were withdrawn by ROC during the year. | -                                                          | NCLT                          | -                                  |

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholtime Director

N.SRINIVASAN  
Director

Place: Chennai  
Date : 28<sup>th</sup> July, 2017

**ANNEXURE 'L' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> 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 India Cements Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE INDIA CEMENTS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of THE INDIA CEMENTS LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by THE INDIA CEMENTS LIMITED for the financial year ended on 31.03.2017 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Secretarial standards (SS-1, SS-2) issued by the Institute of Company Secretaries of India;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading ) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements ) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Amendment Regulations, 2016;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vii) Other Laws specifically applicable to the company :
  - A) Labour laws and its corresponding rules thereto:
    - a. Factories Act, 1948
    - b. Industrial Disputes Act, 1947
    - c. Payment of Wages Act, 1936
    - d. Minimum Wages Act, 1948
    - e. Employees State Insurance Act, 1948
    - f. The Employees Provident Fund and Miscellaneous Provisions Act, 1952

- g. The Payment of Bonus Act, 1965
- h. The Payment of Gratuity Act, 1972
- i. The Contract Labour (Regulation and Abolition) Act, 1970
- j. The Maternity Benefit Act, 1961
- k. The Child Labour (Prohibition and Regulation) Act, 1986
- l. The Industrial Employment (Standing Orders) Act, 1946
- m. The Employees Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923)
- n. The Apprentices Act, 1951 and its amendment thereto
- o. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
- B) Environmental Acts and its corresponding rules thereto:
  - a. The Environment (Protection) Act, 1986
  - b. The Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;
  - c. The Water (Prevention & Control of Pollution) Act, 1974
  - d. The Air (Prevention & Control of Pollution) Act, 1981
- C) Electricity Act, 2003 and its rules corresponding thereto:
- D) Mines Act, 1952 and its rules corresponding thereto
- E) Explosives Act, 1884 and its rules corresponding thereto
- F) Legal Metrology Act, 2011

I have also examined compliance with the applicable clauses of the revised Listing Agreements entered into by the Company with BSE Limited and NSE Limited.

During the period under review and as per the explanations and clarifications given to me and the representation made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above by all the units / factories located across India, except instances which would not materially affect the operations of the Company.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board Meetings, as represented by the Management, were unanimous and therefore there were no dissenting views that were required to be recorded.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that,

- a) At the Annual general meeting on 29.08.2016, the members have passed a special resolution under Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 to offer, issue and allot secured and / or unsecured redeemable Non-Convertible Debentures

and / or Bonds and / or other securities from time to time, by way of private placement, to person(s), including companies, other bodies corporate, institution(s), banks and such other entity(ies) in such form and in such manner for an aggregate amount not exceeding Rs.2000 crores.

- b) The scheme of amalgamation between Trinetra Cements Limited and Trishul Concrete Products Limited with The India Cements Limited has been sanctioned by NCLT on 20/04/2017 vide Order No. TP(HC)/CAA/6/2017 (Sec.232 & Rule 20 of the Act 2013).
- c) The members of the Company vide postal ballot and evoting have passed requisite special resolution on 30.01.2017 approving the issue of upto 20,00,000 Stock Options to selective employees in aggregate under Employees Stock Option Scheme 2016 (ESOS 2016), each option entitling the grantees to subscribe for one equity share of face value of Rs.10/- each fully paid-up on payment of Rs.50/- per share, including a premium of Rs.40/- per share.

I further report that

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and have relied on the report of statutory auditors and financial statements.
- 4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Chennai

Date : 27<sup>th</sup> May, 2017

P.R. SUDHA

FCS No.6046

CP No.:4468



P.S. SUBRAMANIA IYER & CO.  
Chartered Accountants  
103, P.S. Sivaswamy Salai  
Mylapore  
Chennai - 600 004

BRAHMAYYA & CO.  
Chartered Accountants  
48, Masilamani Road  
Balaji Nagar, Royapettah  
Chennai - 600 014

## INDEPENDENT AUDITORS' REPORT

To

**The Members of The India Cements Limited**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of THE INDIA CEMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Emphasis of Matter**

We draw attention to

- a. Note 40.2(g) to the standalone Ind AS financial statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of Competition Act, 2002 and consequent imposition of penalty of Rs.187.48 crores on the Company. The company filed an appeal against the order before the Competition Appellate Tribunal, New Delhi. Based on the legal advice the company believes that it has a good case in regard to the matter agitated by the company before the Competition Appellate Tribunal seeking a setting aside of the order passed by CCI, and accordingly no provision has been considered necessary by the Company in this regard.
- b. Note 40.5 to the standalone Ind AS financial statements, regarding the order of attachment issued under Prevention of Money laundering Act through which certain assets of the company amounting to Rs.120.34 crores have been attached vide provisional attachment Order dated 25<sup>th</sup> February 2015 which the company is disputing before legal forums. The company has been legally advised that it has strong grounds to defend its position, pending the outcome of the proceedings the impact if any arising on account of inclusion of these attached assets at their carrying values is not ascertainable at this

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stage. The assets of the company attached includes certain investments held by the company in Trinetra Cements Limited (TCL) (since amalgamated with the company) amounting to Rs.96.67 crores have not been cancelled upon merger of TCL as per the order of High court of Madras, consequently the assets and liabilities are stated in excess to this extent.

- c. Note 40.21 to the standalone Ind AS financial statements, regarding the accounting for scheme of amalgamation between the company and its subsidiaries Trinetra cement limited (TCL) and Trishul concrete Products Limited (TCPL) (Transferor companies) under section 391 to 394 and other provisions of the Companies Act, 1956 and the relevant provisions of Companies Act, 2013, which has been approved by the Hon'ble High court of Madras and National company Law tribunal Chennai with appointed date as 01/01/2014. In accordance with the scheme the company had fair valued the assets and liabilities of the transferor companies and the net excess of such fair values over the previously carried book values resulting in Goodwill has been debited to General reserve as per the approved scheme which is not in accordance with Accounting Standard 14.

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

#### Other Matters

The standalone Ind AS financial statements (after giving effect to amalgamation of TCL and TCPL) includes total assets of Rs.1,250.99 crores and total revenue of Rs.599.95 crores and total loss of Rs.1.30 crores and other financial information of TCL (one of the transferor company) which have been audited by other auditor whose reports have been furnished to us by the Management, and our audit opinion on these financial statements, to the extent they pertain to the financial statements of TCL is solely based on the reports of the other auditor.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 40.2 to the standalone Ind AS financial statements;
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
    - iii) Currently there are no amounts held by the company that are required to be transferred to Investor education and protection fund hence we do not comment on the same; and
    - iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 based on audit procedures and relying on management's representation we report that the disclosures are in accordance with the books of accounts maintained by the Company - Refer Note 40.18 to the standalone Ind AS financial statements.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

**Annexure - A to the Auditors' Report**

**The Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of THE INDIA CEMENTS LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2017 we report that:**

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the company. In regard to Immovable properties of land and buildings wherever title deeds have been pledged as securities towards loans, guarantees etc availed by the company the same are stated to have been held in the name of the company (the lenders have also accepted the assets as security for creating mortgages) and are confirmed by the lenders as on the reporting date.

(Amount in INR)

| Particulars of Land & Building | Value as at 31.03.2017 |                | No. of Cases | Remarks                                                                                                                                                                                                                     |
|--------------------------------|------------------------|----------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                | Gross Block            | Net Block      |              |                                                                                                                                                                                                                             |
| Building -Apartment at Delhi   | 11,93,454              | 5,30,132       | 1            | Title is not in the name of the company                                                                                                                                                                                     |
| Freehold Land                  | 3,83,36,13,267         | 3,83,36,13,267 | 242          | The title deeds are in the names of erstwhile companies that merged with the company under Sec 391 to 394 of the Companies Act, 1956 pursuant to schemes of amalgamation and arrangement approved by Honourable High Courts |
| Leasehold Land                 | 21,17,56,833           | 21,17,56,833   |              | The title deeds are in the names of erstwhile companies that merged with the company under Sec 391 to 394 of the Companies Act, 1956 pursuant to schemes of amalgamation and arrangement approved by Honourable High Courts |

- ii) As explained to us and according to information and explanations given to us the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification
- iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments, and providing guarantees as applicable and the company has not granted any security in terms of section 185 and 186 of the companies act 2013.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. However in regard to the unclaimed deposits the company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- vi) The maintenance of cost records has been specified by the central government under section 148(1) of Companies act 2013. We have broadly reviewed the cost records maintained by the company pursuant to companies cost records and audit rules 2014 as amended, prescribed by the central government under sub-section (1) of section 148 of companies act 2013, and are of opinion that prima facie the prescribed cost records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete and we have relied on the reports of cost auditors in this regard.
- vii) According to the information and explanations given to us and on the basis of our examination of the books of account in respect of statutory dues
  - a) The company has generally been regular in depositing undisputed statutory dues, barring few instances of considerable delays in making payment towards Provident Fund, Employees' State Insurance, Income-tax, Service Tax, sales tax, duty of customs, duty of excise, value added tax, cess and

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any other statutory dues to the appropriate authorities. There were no undisputed amounts payable towards Provident Fund, Employees' State Insurance, Income-tax, Service Tax, sales tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.

- b) Details of dues of Sales tax, Income tax, Service tax, Customs Duty, Excise duty, VAT and cess, which have not been deposited as on 31st March 2017 on account of any dispute and the forum where disputes are pending is given in Annexure - I.
- viii) Based on the audit procedure and according to the information given to us, we are of the opinion that the company has not defaulted in repayment of loans from financial institutions, banks, government or dues to debenture holders.
- ix) In our opinion and according to the information and explanations given to us and based on the records produced for our perusal during the year the term loans have been applied by the company for purposes for which they were raised and the company has not raised monies by way of initial public offer or further public offer (including debt instruments).
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
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## **Annexure B to the Auditors' Report**

### **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 India Cements limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

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

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

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**Annexure - I to the Independent Auditors Report as mentioned in Paragraph 3(vii)(b) of CARO 2017**

| Sl. No.   | Name of Statute                                             | Nature of Dues              | Amount (Rs. in lakhs) | Period to which amount relates           | Forum where disputes pending            |
|-----------|-------------------------------------------------------------|-----------------------------|-----------------------|------------------------------------------|-----------------------------------------|
| 1         | Central Excise Act 1944                                     | Excise duty and Service Tax | 2,224,286,420         | Various pendings from 1988-89 to 2016-17 | CESTAT                                  |
|           |                                                             |                             | 253,429,714           | Various pendings from 1995-96 to 2016-17 | Commissioner (Appeals)                  |
|           |                                                             |                             | 164,498,477           | Various pendings from 1994-95 to 2009-10 | High Court                              |
|           |                                                             |                             | 29,292,075            | Various pendings from 1995-96 to 2008-09 | Supreme Court                           |
|           | Sub Total                                                   |                             | 2,671,506,685         |                                          |                                         |
| 2         | Central Sales Tax Act, 1956 and sales tax of various states | Sales tax/ VAT              | 25,977,554            | 2008-09 and 2013-14                      | Additional Commissioner (Rev. Petition) |
|           |                                                             |                             | 2,471,603             | 2012-13 & 2013-14                        | Commissioner (Appeals)                  |
|           |                                                             |                             | 174,577,376           | Various pendings from 1969-70 to 2012-13 | Appeal to High Court                    |
|           |                                                             |                             | 5,716,659             | 2013-14                                  | Assessing Authority                     |
|           |                                                             |                             | 520,792               | 1997-98, 2005-06 and 2007-08             | D.C.Appeals                             |
|           |                                                             |                             | 1,482,443             | 2014-15                                  | Joint Commissioner [Rev. Petition]      |
|           |                                                             |                             | 10,021,198            | Various pendings from 1989-90 to 2008-09 | Sales Tax Appellate Tribunal            |
|           | Sub Total                                                   |                             | 220,767,625           |                                          |                                         |
| 3         | Customs act 1962                                            | Customs Duty                | 636,969,657           | 2013-14 & 2014-15                        | CESTAT                                  |
| 4         | Sub Total                                                   |                             | 636,969,657           |                                          |                                         |
|           | Income Tax Act, 1961                                        | Income Tax                  | 1,098,776,140         | 2012-13 and 2013-14                      | CIT (Appeals)                           |
|           |                                                             |                             | 81,064,938            | 1996-97                                  | Supreme Court                           |
|           |                                                             |                             | 36,383,000            | Various periods from 1982-83 to 1986-87  | High Court                              |
|           |                                                             |                             | 531,000               | 1991-1992                                | Income Tax Appellate Tribunal           |
| Sub Total |                                                             | 1,216,755,078               |                       |                                          |                                         |
|           | Grand Total                                                 |                             | 4,745,999,045         |                                          |                                         |

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575





## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2017

|                                          |          | Figures as at the end of<br>current reporting period<br>(31 <sup>st</sup> March 2017) |                   | Figures as at the end of<br>previous reporting period<br>(31 <sup>st</sup> March 2016) |                   | Figures as at the beginning<br>of the transition date<br>(1 <sup>st</sup> April 2015 opening) |                   |
|------------------------------------------|----------|---------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------|-------------------|
|                                          | Note No. | Rs.Lakhs                                                                              | Rs.Lakhs          | Rs.Lakhs                                                                               | Rs.Lakhs          | Rs.Lakhs                                                                                      | Rs.Lakhs          |
| <b>ASSETS:</b>                           |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| 1. Non-Current Assets :                  |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Property, Plant and Equipment            | 4        |                                                                                       | 694883.76         |                                                                                        | 715264.86         |                                                                                               | 729963.20         |
| Capital Work-in-Progress                 | 4        |                                                                                       | 12781.31          |                                                                                        | 9263.22           |                                                                                               | 10124.97          |
| Investment Property                      |          |                                                                                       | 0.00              |                                                                                        | 0.00              |                                                                                               | 0.00              |
| Goodwill                                 | 4        |                                                                                       | 0.00              |                                                                                        | 0.00              |                                                                                               | 0.00              |
| Other Intangible Assets                  | 4        |                                                                                       | 2404.04           |                                                                                        | 2975.82           |                                                                                               | 3702.17           |
| Intangible Assets under development      |          |                                                                                       | 0.00              |                                                                                        | 0.00              |                                                                                               | 0.00              |
| Financial Assets:                        |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Investments                           | 5        | 61646.08                                                                              |                   | 54760.28                                                                               |                   | 54813.18                                                                                      |                   |
| ii. Trade Receivables                    |          | 0.00                                                                                  |                   | 0.00                                                                                   |                   | 0.00                                                                                          |                   |
| iii. Loans                               | 6        | 89629.95                                                                              |                   | 85023.92                                                                               |                   | 76352.23                                                                                      |                   |
| iv. Other financial assets               | 7        | 5792.62                                                                               | 157068.65         | 6050.72                                                                                | 145834.92         | 7367.76                                                                                       | 138533.17         |
| Deferred Tax Assets                      |          |                                                                                       | 0.00              |                                                                                        | 0.00              |                                                                                               | 0.00              |
| Other Non-Current Assets                 | 8        |                                                                                       | 27530.66          |                                                                                        | 27076.80          |                                                                                               | 20225.11          |
| <b>Total Non-Current Assets</b>          |          |                                                                                       | <b>894668.42</b>  |                                                                                        | <b>900415.62</b>  |                                                                                               | <b>902548.62</b>  |
| 2. Current Assets:                       |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Inventories                              | 9        |                                                                                       | 74499.61          |                                                                                        | 59942.48          |                                                                                               | 62710.37          |
| Financial Assets:                        |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Investments                           | 10       | 254.69                                                                                |                   | 309.52                                                                                 |                   | 309.52                                                                                        |                   |
| ii. Trade Receivables                    | 11       | 50888.03                                                                              |                   | 53586.96                                                                               |                   | 48508.19                                                                                      |                   |
| iii. Cash and Cash Equivalents           | 12       | 677.53                                                                                |                   | 667.12                                                                                 |                   | 4768.39                                                                                       |                   |
| iv. Bank balances other than (iii) above |          | 0.00                                                                                  |                   | 0.00                                                                                   |                   | 0.00                                                                                          |                   |
| v. Loans                                 | 13       | 5130.65                                                                               |                   | 4843.95                                                                                |                   | 1704.66                                                                                       |                   |
| vi. Other financial assets               |          | 0.00                                                                                  | 56950.90          | 0.00                                                                                   | 59407.55          | 0.00                                                                                          | 55290.76          |
| Current Tax Assets (Net)                 | 14       |                                                                                       | 13884.53          |                                                                                        | 7513.44           |                                                                                               | 10267.66          |
| Other Current Assets                     | 15       |                                                                                       | 24524.45          |                                                                                        | 8938.54           |                                                                                               | 13296.06          |
| <b>Total Current Assets</b>              |          |                                                                                       | <b>169859.49</b>  |                                                                                        | <b>135802.01</b>  |                                                                                               | <b>141564.85</b>  |
| <b>TOTAL ASSETS</b>                      |          |                                                                                       | <b>1064527.91</b> |                                                                                        | <b>1036217.63</b> |                                                                                               | <b>1044113.47</b> |
| <b>EQUITY AND LIABILITIES:</b>           |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| 1. Equity:                               |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| (a) Equity Share Capital                 | 16       |                                                                                       | 30815.27          |                                                                                        | 30815.27          |                                                                                               | 30815.27          |
| (b) Other Equity                         | 17       |                                                                                       | 480175.22         |                                                                                        | 467277.39         |                                                                                               | 454622.08         |
| <b>Total Equity</b>                      |          |                                                                                       | <b>510990.49</b>  |                                                                                        | <b>498092.66</b>  |                                                                                               | <b>485437.35</b>  |
| 2. Liabilities:                          |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Non-Current Liabilities :                |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Financial Liabilities                    |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Borrowings                            | 18       | 237965.60                                                                             |                   | 206023.71                                                                              |                   | 236635.74                                                                                     |                   |
| ii. Trade Payables                       |          | 0.00                                                                                  |                   | 0.00                                                                                   |                   | 0.00                                                                                          |                   |
| iii. Other financial liabilities         |          | 0.00                                                                                  | 237965.60         | 0.00                                                                                   | 206023.71         | 0.00                                                                                          | 236635.74         |
| Provisions                               | 19       |                                                                                       | 16066.05          |                                                                                        | 16069.65          |                                                                                               | 15616.42          |
| Deferred tax liabilities (Net)           | 20       |                                                                                       | 65564.28          |                                                                                        | 57186.51          |                                                                                               | 54255.02          |
| Other non-current liabilities            | 21       |                                                                                       | 2806.26           |                                                                                        | 2428.71           |                                                                                               | 3706.81           |
| <b>Total Non Current Liabilities</b>     |          |                                                                                       | <b>322402.19</b>  |                                                                                        | <b>281708.58</b>  |                                                                                               | <b>310213.99</b>  |
| 3. Current Liabilities :                 |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Financial Liabilities                    |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Borrowings                            | 22       | 30177.13                                                                              |                   | 53039.93                                                                               |                   | 55980.17                                                                                      |                   |
| ii. Trade Payables                       | 23       | 131802.21                                                                             |                   | 103670.40                                                                              |                   | 96122.21                                                                                      |                   |
| iii. Other financial liabilities         | 24       | 60000.94                                                                              | 221980.28         | 90155.49                                                                               | 246865.82         | 87905.96                                                                                      | 240008.34         |
| Provisions                               | 25       |                                                                                       | 17.93             |                                                                                        | 16.72             |                                                                                               | 16.72             |
| Current tax liabilities (Net)            | 26       |                                                                                       | 2218.26           |                                                                                        | 2218.26           |                                                                                               | 2206.26           |
| Other current liabilities                | 27       |                                                                                       | 6918.76           |                                                                                        | 7315.59           |                                                                                               | 6230.81           |
| <b>Total Current Liabilities</b>         |          |                                                                                       | <b>231135.23</b>  |                                                                                        | <b>256416.39</b>  |                                                                                               | <b>248462.13</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>      |          |                                                                                       | <b>1064527.91</b> |                                                                                        | <b>1036217.63</b> |                                                                                               | <b>1044113.47</b> |

See accompanying Notes to the Financial Statements

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA

Partner

Membership No. 26575

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Vice Chairman &  
Managing Director

R.SRINIVASAN  
Executive President  
(Finance & Accounts)

RUPA GURUNATH  
Wholtime Director

S. SRIDHARAN  
Company Secretary

CHITRA SRINIVASAN

N.R.KRISHNAN

RABINARAYAN PANDA

S.BALASUBRAMANIAN ADITYAN

K. BALAKRISHNAN

V. MANICKAM

N. SRINIVASAN

Directors



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

|                                                                                                            |          | Figures for the Current<br>reporting period<br>April 2016 - March 2017 |                  | Figures for the Previous<br>reporting period<br>April 2015 - March 2016<br>without Merger |                  |
|------------------------------------------------------------------------------------------------------------|----------|------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------|------------------|
|                                                                                                            | Note No. | Rs.Lakhs                                                               | Rs.Lakhs         | Rs.Lakhs                                                                                  | Rs.Lakhs         |
| <b>INCOME:</b>                                                                                             |          |                                                                        |                  |                                                                                           |                  |
| Revenue from Operations                                                                                    | 28       |                                                                        | 577752.49        |                                                                                           | 481143.19        |
| Other Income                                                                                               | 29       |                                                                        | 1651.22          |                                                                                           | 2216.11          |
| <b>Total Revenue</b>                                                                                       |          |                                                                        | <b>579403.71</b> |                                                                                           | <b>483359.30</b> |
| <b>EXPENSES:</b>                                                                                           |          |                                                                        |                  |                                                                                           |                  |
| Cost of materials consumed                                                                                 | 30       |                                                                        | 89565.43         |                                                                                           | 68632.17         |
| Purchases of stock-in-trade                                                                                | 31       |                                                                        | 848.03           |                                                                                           | 587.67           |
| Changes in inventories of finished goods, work-in-progress                                                 | 32       |                                                                        | (1824.66)        |                                                                                           | (994.67)         |
| Employee benefits expense                                                                                  | 33       |                                                                        | 37785.31         |                                                                                           | 34309.77         |
| Finance costs                                                                                              | 34       |                                                                        | 36045.91         |                                                                                           | 38250.21         |
| Depreciation and Amortisation Expense                                                                      | 4        |                                                                        | 25706.26         |                                                                                           | 21945.65         |
| <b>Other expenses:</b>                                                                                     |          |                                                                        |                  |                                                                                           |                  |
| Manufacturing and other Operating Expenses                                                                 | 35       | 193388.02                                                              |                  | 166433.40                                                                                 |                  |
| Administration and Other Charges                                                                           | 36       | 14194.17                                                               |                  | 11944.00                                                                                  |                  |
| Selling and Distribution Expenses                                                                          | 37       | 156633.01                                                              |                  | 121677.76                                                                                 |                  |
| Donations                                                                                                  | 38       | 1059.89                                                                | 365275.09        | 1009.61                                                                                   | 301064.77        |
| <b>Total Expenses</b>                                                                                      |          |                                                                        | <b>553401.37</b> |                                                                                           | <b>463795.57</b> |
| Profit / (Loss) before extraordinary items and tax                                                         |          |                                                                        | 26002.34         |                                                                                           | 19563.73         |
| Exceptional Items                                                                                          |          |                                                                        | 0.00             |                                                                                           | 319.54           |
| <b>Profit / (Loss) before tax</b>                                                                          |          |                                                                        | <b>26002.34</b>  |                                                                                           | <b>19244.19</b>  |
| <b>Tax expense:</b>                                                                                        |          |                                                                        |                  |                                                                                           |                  |
| Current Tax                                                                                                |          | 5370.86                                                                |                  | 6036.58                                                                                   |                  |
| Less: MAT Credit entitlement                                                                               |          | (5370.86)                                                              |                  | (2711.18)                                                                                 |                  |
| Deferred Tax                                                                                               |          | 8667.32                                                                | 8667.32          | 2924.00                                                                                   | 6249.40          |
| Profit / (Loss) for the year from Continuing Operations                                                    |          |                                                                        | 17335.02         |                                                                                           | 12994.79         |
| Profit / (Loss) from discontinued Operations                                                               |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Tax Expense of Discontinued Operations                                                                     |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Profit / (Loss) from discontinued Operations after tax                                                     |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Profit / (Loss) for the year                                                                               |          |                                                                        | 17335.02         |                                                                                           | 12994.79         |
| <b>Other Comprehensive Income:</b>                                                                         |          |                                                                        |                  |                                                                                           |                  |
| Items that will not be classified into Profit or Loss                                                      |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Income tax relating to Items that will not be classified into Profit or Loss                               |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Items that will be classified into Profit or Loss                                                          |          |                                                                        | (836.66)         |                                                                                           | 0.00             |
| Income tax relating to Items that will be classified into Profit or Loss                                   |          |                                                                        | 289.55           |                                                                                           | 0.00             |
| <b>Other Comprehensive Income for the year- Total</b>                                                      |          |                                                                        | <b>(547.11)</b>  |                                                                                           | <b>0.00</b>      |
| <b>Total Comprehensive Income for the year</b>                                                             |          |                                                                        | <b>16787.91</b>  |                                                                                           | <b>12994.79</b>  |
| <b>(Comprising Profit / (Loss) and Other Comprehensive Income)</b>                                         |          |                                                                        |                  |                                                                                           |                  |
| Earnings per Share for continuing operations:<br>(face value of Rs.10/- per equity share)                  |          |                                                                        |                  |                                                                                           |                  |
| Basic (Rs.)                                                                                                |          |                                                                        | 5.45             |                                                                                           | 4.23             |
| Diluted (Rs.)                                                                                              |          |                                                                        | 5.45             |                                                                                           | 4.23             |
| Earnings per Share for discontinued operations :<br>(face value of Rs.10/- per equity share):              |          |                                                                        |                  |                                                                                           |                  |
| Basic (Rs.)                                                                                                |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Diluted (Rs.)                                                                                              |          |                                                                        | 0.00             |                                                                                           | 0.00             |
| Earnings per Share for continuing & discontinued operations :<br>(face value of Rs.10/- per equity share): |          |                                                                        |                  |                                                                                           |                  |
| Basic (Rs.)                                                                                                |          |                                                                        | 5.45             |                                                                                           | 4.23             |
| Diluted (Rs.)                                                                                              |          |                                                                        | 5.45             |                                                                                           | 4.23             |

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA

Partner

Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
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N. SRINIVASAN

Directors



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

### A. EQUITY SHARE CAPITAL (Refer Note No. 16)

(Rs. in Lakhs)

|                                                   |                 |
|---------------------------------------------------|-----------------|
| Balance as at April 1, 2015                       |                 |
| Paid up Equity Share Capital                      | 30717.83        |
| Share Suspense Account (Please refer Note No. 16) | 97.44           |
| <b>Total as at April 1, 2015</b>                  | <b>30815.27</b> |
| Changes in Equity Share Capital during the year   | 0.00            |
| <b>Balance as at March 31, 2016</b>               | <b>30815.27</b> |
| Changes in Equity Share Capital during the year   | 0.00            |
| <b>Balance as at March 31, 2017</b>               | <b>30815.27</b> |

### B. OTHER EQUITY (Refer Note No. 17)

(Rs. in Lakhs)

|                                                                | Capital Reserve | Capital Redemption Reserve | Securities Premium | Debenture Redemption Reserve | Deferred Income | Shipping Tonnage Tax Reserve | Ind AS Transition Reserve | General Reserve | Surplus in Profit and Loss | Other Comprehensive income | Total            |
|----------------------------------------------------------------|-----------------|----------------------------|--------------------|------------------------------|-----------------|------------------------------|---------------------------|-----------------|----------------------------|----------------------------|------------------|
| <b>Balance as at April 1, 2015</b>                             | <b>16.17</b>    | <b>2500.00</b>             | <b>147670.92</b>   | <b>48.00</b>                 | <b>2702.27</b>  | <b>90.00</b>                 | <b>203586.84</b>          | <b>20000.00</b> | <b>78007.88</b>            | <b>0.00</b>                | <b>454622.08</b> |
| Add: Profit / (Loss) for the year                              | -               | -                          | -                  | -                            | (192.97)        | -                            | -                         | -               | 12994.79                   | -                          | 12801.82         |
| Add: Profit / (Loss) for the year of amalgamating companies    | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | (146.51)                   | -                          | (146.51)         |
| Add: Remeasurement of defined benefit Plans transferred to OCI | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | 0.00                       | 0.00             |
| Add / (Less): Transfers to General Reserve                     | -               | -                          | -                  | -                            | -               | -                            | -                         | 4000.00         | (4000.00)                  | -                          | 0.00             |
| Less: Dividends                                                | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | 0.00                       | -                          | 0.00             |
| <b>Balance as at March 31, 2016</b>                            | <b>16.17</b>    | <b>2500.00</b>             | <b>147670.92</b>   | <b>48.00</b>                 | <b>2509.30</b>  | <b>90.00</b>                 | <b>203586.84</b>          | <b>24000.00</b> | <b>86856.16</b>            | <b>0.00</b>                | <b>467277.39</b> |
| Add: Profit / (Loss) for the year                              | -               | -                          | -                  | -                            | (192.96)        | -                            | -                         | -               | 17335.02                   | -                          | 17142.06         |
| Add: Remeasurement of defined benefit Plans transferred to OCI | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | (547.11)                   | (547.11)         |
| Add / (Less): Transfers to General Reserve                     | -               | -                          | -                  | -                            | -               | -                            | -                         | 6000.00         | (6000.00)                  | -                          | 0.00             |
| Less: Dividends                                                | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | (3697.12)                  | -                          | (3697.12)        |
| <b>Balance as at March 31, 2017</b>                            | <b>16.17</b>    | <b>2500.00</b>             | <b>147670.92</b>   | <b>48.00</b>                 | <b>2316.34</b>  | <b>90.00</b>                 | <b>203586.84</b>          | <b>30000.00</b> | <b>94494.06</b>            | <b>(547.11)</b>            | <b>480175.22</b> |

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA

Partner

Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
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V. MANICKAM

N. SRINIVASAN

Directors

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

|                                                                          | April 2016 - March 2017 |                   | April 2015 - March 2016 |            |
|--------------------------------------------------------------------------|-------------------------|-------------------|-------------------------|------------|
|                                                                          | Rs.Lakhs                | Rs.Lakhs          | Rs.Lakhs                | Rs.Lakhs   |
| <b>A. Cash flow from operating activities :</b>                          |                         |                   |                         |            |
| Net profit / (loss) before exceptional items, tax & extra-ordinary items |                         | <b>26002.34</b>   |                         | 19563.73   |
| Exceptional Items                                                        |                         | <b>(836.66)</b>   |                         | (466.05)   |
| Net profit / (loss) before tax and extra-ordinary items                  |                         | <b>25165.68</b>   |                         | 19097.68   |
| Adjusted for :                                                           |                         |                   |                         |            |
| Depreciation                                                             | <b>25706.26</b>         |                   | 26927.75                |            |
| Provision for Doubtful Debts & Advances                                  | <b>492.91</b>           |                   | 310.07                  |            |
| Foreign Exchange                                                         | <b>150.63</b>           |                   | 1666.98                 |            |
| Profit on sale of Investments                                            | <b>(102.39)</b>         |                   | 0.00                    |            |
| Profit / Loss on sale of Assets                                          | <b>(195.73)</b>         |                   | 67.46                   |            |
| Interest Expense                                                         | <b>42231.39</b>         |                   | 45159.98                |            |
| Interest Income                                                          | <b>(7483.19)</b>        |                   | (8642.93)               |            |
| Dividend Income                                                          | <b>0.00</b>             |                   | (5.94)                  |            |
| Perquisite value of Employees' stock options                             | <b>0.00</b>             |                   | 0.00                    |            |
| Deferred revenue expenditure / income                                    | <b>0.00</b>             | <b>60799.88</b>   | 0.00                    | 65483.37   |
| Operating profit before Working Capital changes                          |                         | <b>85965.56</b>   |                         | 84581.05   |
| Trade and other receivables                                              | <b>(13356.50)</b>       |                   | (2800.40)               |            |
| Inventories                                                              | <b>(14557.10)</b>       |                   | 2767.90                 |            |
| Trade and other payables                                                 | <b>29051.03</b>         | <b>1137.43</b>    | 7697.20                 | 7664.70    |
| Cash generated from operations                                           |                         | <b>87102.99</b>   |                         | 92245.75   |
| Direct Taxes                                                             |                         | <b>(6371.09)</b>  |                         | (552.69)   |
| Cash flow before extra-ordinary items                                    |                         | <b>80731.90</b>   |                         | 91693.06   |
| Extra-ordinary items                                                     |                         | <b>0.00</b>       |                         | 0.00       |
| Net cash from operating activities                                       | <b>(A)</b>              | <b>80731.90</b>   |                         | 91693.06   |
| <b>B. Cash flow from Investing activities :</b>                          |                         |                   |                         |            |
| Purchase of Fixed Assets                                                 |                         | <b>(9694.44)</b>  |                         | (16320.33) |
| Sale of Fixed Assets                                                     |                         | <b>1860.58</b>    |                         | 339.23     |
| Sale of Investments                                                      |                         | <b>54.83</b>      |                         | 0.00       |
| Purchase of Investments                                                  |                         | <b>(6830.98)</b>  |                         | 52.90      |
| Interest received                                                        |                         | <b>607.57</b>     |                         | 1798.01    |
| Dividend received                                                        |                         | <b>0.00</b>       |                         | 5.94       |
| Refund by / advances to Subsidiaries, Associates and others              |                         | <b>2217.63</b>    |                         | (1879.93)  |
| Net cash from Investing activities                                       | <b>(B)</b>              | <b>(11784.81)</b> |                         | (16004.18) |



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017 (Contd.)

|                                                           | April 2016 - March 2017 | April 2015 - March 2016 |
|-----------------------------------------------------------|-------------------------|-------------------------|
|                                                           | Rs.Lakhs                | Rs.Lakhs                |
| <b>C. Cash flow from financing activities :</b>           |                         |                         |
| Proceeds from issue of share capital                      | 0.00                    | 0.00                    |
| Dividend paid                                             | (3702.68)               | (18.41)                 |
| Proceeds from long-term borrowings                        | 0.00                    | 34630.66                |
| Repayment of borrowings                                   | (23382.50)              | (63979.20)              |
| Interest paid (net)                                       | (41851.50)              | (50423.20)              |
| Net cash from financing activities (C)                    | <u>(68936.68)</u>       | <u>(79790.15)</u>       |
| Increase / (Decrease) in cash and cash equivalent (A+B+C) | 10.41                   | (4101.27)               |
| Cash and cash equivalent at the beginning of the year     | 667.12                  | 4768.39                 |
| Cash and cash equivalent at the close of the year         | 677.53                  | 667.12                  |

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
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V. MANICKAM

N. SRINIVASAN

Directors

## **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements upto the year ended 31<sup>st</sup> March 2016 were prepared in accordance with the Accounting Standards Rules 2006 (as amended) and other relevant provisions of the Companies Act, 2013 (Indian GAAP).

The Ministry of Corporate Affairs (MCA) issued a Notification on 16<sup>th</sup> February, 2015, making Indian Accounting Standards, issued under Section 133 of Companies Act, 2013 mandatory for certain class of Companies.

As per the Notification, Ind AS is mandatory for the Company for the Financial year commencing 1<sup>st</sup> April 2016. Accordingly, the Company has adopted Ind AS from 1<sup>st</sup> April 2016 and the Financial Statements for the year ended 31<sup>st</sup> March 2017 have been prepared in accordance with the principles laid down in the said Ind AS.

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- (ii) Employee's Defined Benefit plan as per Actuarial valuation.
- (iii) Plant, Property and Equipment measured at fair value.

### **2. FIRST TIME ADOPTION OF Ind AS**

The Company has restated the financial statements as at 1<sup>st</sup> April 2015 (opening), being the transition date, on the following basis:

The amount of transition reserve (component of retained earnings) arising on the same is given below:

- a) All Tangible assets, including Property, Plant and Equipments, and Intangible assets were revalued as at the transition date and stated at fair values, resulting in reserve of Rs.239311.71 Lakhs.
- b) The restoration obligation of Limestone mines was assessed as at the transition date and provision has been created for Rs.9500.00 Lakhs.
- c) Investments have been assessed at fair values and provision for Rs. 1940.85 Lakhs has been created at the transition date.
- d) Financial assets and liabilities were assessed for possible credit risks and provision has been created for expected credit losses as at the transition date amounting to Rs.37,448.39 Lakhs.
- e) Exchange differences arising on Long term foreign currency loans, which were under Indian GAAP capitalised / accounted as Foreign currency Monetary Item Translation Reserve, as the case may be, are under Ind AS debited to Statement of Profit and Loss. The cumulative difference of Rs.894.78 Lakhs as at the transition date is charged to transition reserve.
- f) The balances in Revaluation Reserve account (Rs.30356.30 Lakhs credit) and Goodwill account (Rs.1922.00 Lakhs debit) are also transferred to transition reserve account.
- g) Contingencies & provisions have been re-assessed as at the transition date and accordingly created additional provision for Rs.3160.00 Lakhs debit.
- h) Deferred tax liability was reassessed as at the transition date based on Balance Sheet approach and created additional liability of Rs. 11214.70 Lakhs.

Exemptions availed as per Ind AS 101:

- 1) Past Business Combination:  
The Company has elected not to apply Ind AS 103-Business Combinations retrospectively to Past Business Combinations that occurred before the transition date of 01-Apr-2015, consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements.
- 2) Property, Plant and Equipments:  
The Company has elected to measure the PPE at Fair value on transition date.



- 3) Investments in Subsidiaries & Associates:  
The Company has elected to carry its Investments in Subsidiaries & Associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.
- 4) Sales Tax Deferment Loan:  
The Company has elected to use the previous GAAP carrying amounts of Sales Tax Deferment Loan existing at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.
- 5) Fair Value of Financial Assets and Liabilities:  
As per the Ind AS exemption, the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

**Note on Scheme of Amalgamation:**

The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company effective 1<sup>st</sup> January 2014 (Appointed Date) under Sections 391 to 394 of the Companies Act, 1956. Honourable Madras High Court referred the petition to National Company Law Tribunal (NCLT). NCLT after hearing the arguments approved the scheme on 13<sup>th</sup> April, 2017 and 20<sup>th</sup> April, 2017 Accordingly the attached financials include the financials of the amalgamating companies.

The Company has sought approval from Stock Exchanges / SEBI for issue of Equity Shares to the shareholders of the amalgamating companies. Pending receipt of the said approval, the amount has been shown under share suspense account.

The goodwill / capital reserve arising on implementation of the scheme has been adjusted against Reserves as contained in the Scheme.

### **3. SIGNIFICANT ITEMS OF ACCOUNTING POLICY**

**1 Use of estimates**

The preparation of financial statements is in conformity with generally accepted Indian Accounting Standards (Ind AS) principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**2 Inventories**

- (a) Valuation of Inventories of raw materials, stores, spares, fuels, semi-finished goods and finished goods is done at weighted average cost.
- (b) Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.

**3 Cash and Cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short term investment with an original maturity of three months or less.

**4 Property, Plant and Equipments**

Property, Plant and Equipments (PPE) were revalued as at Ind AS transition date, 1<sup>st</sup> April 2015 and stated at fair values.

Property, Plant and Equipments (PPE) acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the life of the agreement.

Depreciation is provided over the remaining useful lives of the assets, as per Schedule II of the Companies Act, 2013.

Capital Work in Progress of all the cement manufacturing facilities are shown at cost of Acquisition.

Software development costs are capitalised and depreciated along with computers on Straight Line method. (Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any)

Material items such as Spare parts, Stand-by equipments and service equipments are classified as PPE when they meet the definition of PPE as specified in Ind AS 16.

5 Foreign Currency Transactions

- (a) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and liabilities, in Foreign currencies are translated at values prevailing as at the year end. Gains / Losses if any, arising therefrom are recognised in the Profit and Loss account.
- (b) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward exchange contracts are recognised in the Profit and Loss Account.

6 (a) Revenue Recognition on Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the value of the consideration received or receivable, net of returns and discounts.

- (b) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability, if any, and is net of rebates, discounts and incentives as ascertained by management as per market conditions.
- (c) Revenue from Construction and Infrastructure projects under property development division is recognised on percentage of completion method.
- (d) Revenue on time charter of ships is recognised on a proportionate basis.

7 Research and Development

Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.

8 Borrowing Costs

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition/construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit and Loss account.

9 Claims / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted when there is certainty of Income accrual.

10 Investments:

Investments are stated at fair values.

11 Employee Benefits:

Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The Actuarial gains/losses arising on retirement benefits are also recognised in the Profit and Loss account. Unavailed leave balances are accounted based on respective employee's earnings as at the balance sheet date on actuarial basis.

12 Fringe Benefits arising on options vested under Employees Stock Options Scheme (ESOS),2006 are charged to Profit and Loss Account and credited to Stock Options Reserve Account. On allotment of shares, corresponding amount is transferred from Stock Option Reserve to Securities Premium Account.

13 Tax Expense:

- (a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
- (b) Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.

14 Contingent Liabilities / Assets:

Contingent liabilities and contingent assets are not recognised in the books of accounts. Provisions are made for the reliably estimated amount of present obligation to pay for the past events.





# NON-CURRENT ASSETS

## 4. PROPERTY, PLANT AND EQUIPMENT

Rs Lakhs

| Particulars                                            | GROSS BLOCK                    |                  |                  |                              | DEPRECIATION BLOCK |                  |                              |                             | NET BLOCK            |                                              |                                     |                                              |                                |                                |                  |
|--------------------------------------------------------|--------------------------------|------------------|------------------|------------------------------|--------------------|------------------|------------------------------|-----------------------------|----------------------|----------------------------------------------|-------------------------------------|----------------------------------------------|--------------------------------|--------------------------------|------------------|
|                                                        | Balance as at April 1, 2015 ** | Addition 2015-16 | Deletion 2015-16 | Gross Block as on 31.03.2016 | Addition 2016-17   | Deletion 2016-17 | Gross Block as on 31.03.2017 | Balance as at April 1, 2015 | Depreciation 2015-16 | Cumulative Depreciation as at March 31, 2016 | Depreciation on Deduction 2016-17 * | Cumulative Depreciation as at March 31, 2017 | Net Block as on March 31, 2016 | Net Block as on March 31, 2017 |                  |
| <b>Tangible Assets:</b>                                |                                |                  |                  |                              |                    |                  |                              |                             |                      |                                              |                                     |                                              |                                |                                |                  |
| Land                                                   | 36682.40                       | 117.96           | 10.05            | 36990.31                     | 394.16             | 4.40             | 36750.07                     | 0.00                        | 49.61                | 49.61                                        | 47.94                               | 0.00                                         | 97.45                          | 366910.70                      | 367252.62        |
| Buildings                                              | 50074.28                       | 1550.56          | 18.08            | 51606.76                     | 1004.91            | 162.36           | 52449.31                     | 0.00                        | 5056.95              | 5056.95                                      | 3826.03                             | 8.00                                         | 8874.98                        | 46549.81                       | 43574.33         |
| Railway Siding                                         | 6703.44                        | 23.44            | 0.00             | 6726.88                      | 0.00               | 0.00             | 6726.88                      | 0.00                        | 646.00               | 646.00                                       | 642.99                              | 0.00                                         | 1288.99                        | 6080.88                        | 5437.89          |
| Plant and Machinery including Electrical Installations | 302765.38                      | 8207.00          | 12.15            | 310960.23                    | 3137.61            | 1498.27          | 312599.57                    | 0.00                        | 19029.41             | 19029.41                                     | 18776.75                            | 120.47                                       | 37685.69                       | 291930.82                      | 274913.88        |
| Furniture and Fixtures                                 | 841.63                         | 160.63           | 19.16            | 983.10                       | 93.04              | 18.96            | 1057.18                      | 0.00                        | 211.83               | 211.83                                       | 210.40                              | 3.14                                         | 419.09                         | 771.27                         | 638.09           |
| Office Equipments and Computers                        | 1636.34                        | 824.84           | 14.48            | 2446.70                      | 338.53             | 14.67            | 2770.56                      | 0.00                        | 474.52               | 474.52                                       | 570.01                              | 1.66                                         | 1042.87                        | 1972.18                        | 1727.69          |
| Vehicles                                               | 1089.73                        | 270.65           | 55.27            | 1305.11                      | 631.81             | 71.40            | 1865.52                      | 0.00                        | 255.91               | 255.91                                       | 295.81                              | 25.46                                        | 526.26                         | 1049.20                        | 1339.26          |
| <b>Total Tangible Assets</b>                           | <b>729963.20</b>               | <b>11155.08</b>  | <b>129.19</b>    | <b>740989.09</b>             | <b>5600.06</b>     | <b>1770.06</b>   | <b>744819.09</b>             | <b>0.00</b>                 | <b>25724.23</b>      | <b>25724.23</b>                              | <b>24369.83</b>                     | <b>158.73</b>                                | <b>49955.33</b>                | <b>715264.86</b>               | <b>694883.76</b> |
| <b>Intangible Assets</b>                               |                                |                  |                  |                              |                    |                  |                              |                             |                      |                                              |                                     |                                              |                                |                                |                  |
| Computer software                                      | 3702.17                        | 670.13           | 0.00             | 4372.30                      | 957.41             | 0.00             | 5329.71                      | 0.00                        | 1396.48              | 1396.48                                      | 1529.19                             | 0.00                                         | 2925.67                        | 2975.82                        | 2404.04          |
| <b>Total Intangible Assets</b>                         | <b>3702.17</b>                 | <b>670.13</b>    | <b>0.00</b>      | <b>4372.30</b>               | <b>957.41</b>      | <b>0.00</b>      | <b>5329.71</b>               | <b>0.00</b>                 | <b>1396.48</b>       | <b>1396.48</b>                               | <b>1529.19</b>                      | <b>0.00</b>                                  | <b>2925.67</b>                 | <b>2975.82</b>                 | <b>2404.04</b>   |
| <b>Total Tangible and Intangible Assets</b>            | <b>733665.37</b>               | <b>11825.21</b>  | <b>129.19</b>    | <b>745361.39</b>             | <b>6557.47</b>     | <b>1770.06</b>   | <b>750148.80</b>             | <b>0.00</b>                 | <b>27120.71</b>      | <b>27120.71</b>                              | <b>25899.02</b>                     | <b>158.73</b>                                | <b>52861.00</b>                | <b>718240.68</b>               | <b>697287.80</b> |
| Capital Work in Progress                               | 10124.97                       |                  |                  |                              |                    |                  |                              |                             |                      |                                              |                                     |                                              |                                | 9263.22                        | 12781.31         |
| <b>Total</b>                                           | <b>743790.34</b>               |                  |                  |                              |                    |                  |                              |                             |                      |                                              |                                     |                                              |                                | <b>727503.90</b>               | <b>710069.11</b> |

\* Note : Depreciation after transfer from Deferred income during the year Rs.192.96 Lakhs (Previous Year : Rs.192.97 Lakhs) will be as under:

| Description as Above                 | 2016-17         | 2015-16         |
|--------------------------------------|-----------------|-----------------|
| Less : Transfer from Deferred Income | 25899.02        | 27120.71        |
|                                      | 192.96          | 192.96          |
|                                      | <u>25706.06</u> | <u>26927.75</u> |

\*\* Balance as at April 1, 2015 is on fair value basis and includes assets of amalgamating companies  
The Increase in value of assets on adopting fair value basis, as at April 1, 2015, is Rs.239311.71 Lakhs

|                                                                                                             | No. of Shares/<br>Debentures | Face Value<br>Rs. | 31-03-2017<br>Rs. Lakhs | 31-03-2016<br>Rs. Lakhs | 01-04-2015<br>Rs. Lakhs |
|-------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|-------------------------|-------------------------|-------------------------|
| <b>5. NON-CURRENT INVESTMENTS</b>                                                                           |                              |                   |                         |                         |                         |
| <b>1 Investments in Equity Instruments (fully paid up):</b>                                                 |                              |                   |                         |                         |                         |
| <b>(a) In Subsidiaries (Unquoted):</b>                                                                      |                              |                   |                         |                         |                         |
| Coromandel Electric Company Limited                                                                         | 159000                       | 10                | 2943.50                 | 2943.50                 | 2940.00                 |
| Coromandel Electric Company Limited (Non-dividend bearing equity shares)                                    | 40000                        | 10                | 4.00                    | 3.50                    | 11.00                   |
| Industrial Chemicals & Monomers Ltd.                                                                        | 2196691                      | 10                | 35.58                   | 35.58                   | 35.58                   |
| ICL Financial Services Ltd.                                                                                 | 5962000                      | 10                | 596.20                  | 596.20                  | 596.20                  |
| ICL Securities Ltd.                                                                                         | 6130200                      | 10                | 613.02                  | 613.02                  | 613.02                  |
| ICL International Ltd.                                                                                      | 50000                        | 10                | 5.00                    | 5.00                    | 5.00                    |
| PT. Coromandel Minerals Resources, Indonesia                                                                | 2940                         | 42.84             | 125.94                  | 125.94                  | 125.94                  |
| Coromandel Minerals Pte. Ltd., Singapore                                                                    | 18986500                     |                   | 9167.05                 | 2281.75                 | 2281.75                 |
| India Cements Infrastructures Ltd.                                                                          | 50000                        | 10                | 5.00                    | 5.00                    | 5.00                    |
| Coromandel Travels Ltd. (Refer Note under Debentures- below)                                                | 65310000                     | 10                | 0.00                    | 0.00                    | 0.00                    |
| Coromandel Travels Ltd.                                                                                     | 200000                       | 10                | 20.00                   | 20.00                   | 20.00                   |
| Sub-total                                                                                                   |                              |                   | 13515.29                | 6629.49                 | 6633.49                 |
| <b>(b) In Associates (Unquoted):</b>                                                                        |                              |                   |                         |                         |                         |
| Coromandel Sugars Ltd.                                                                                      | 100                          | 10                | 0.01                    | 0.01                    | 0.01                    |
| <b>(c) Other than Subsidiaries / Associates (Unquoted) at Fair values through P&amp;L:</b>                  |                              |                   |                         |                         |                         |
| Andhra Pradesh Gas Power Corp. Ltd.                                                                         | 58960000                     | 10                | 6804.57                 | 6804.57                 | 6804.57                 |
| Jagati Publications Private Ltd.                                                                            | 1111110                      | 10                | 337.23                  | 337.23                  | 337.23                  |
| Carmel Asia Holdings Private Ltd.                                                                           | 190839                       | 10                | 169.64                  | 169.64                  | 169.64                  |
| Sub-total                                                                                                   |                              |                   | 7311.44                 | 7311.44                 | 7311.44                 |
| <b>(d) Fully paid Equity Shares of Companies (Quoted):</b>                                                  |                              |                   |                         |                         |                         |
| Karur KCP Packagings Limited                                                                                | 996500                       | 10                | 477.32                  | 477.32                  | 477.32                  |
| <b>(e) Other Investments Fully paid shares of Co-operative Societies Long-term (Unquoted):</b>              |                              |                   |                         |                         |                         |
| The India Cements Employees Co-operative Stores Ltd, Sankarnagar                                            | 2500                         | 50                | 1.25                    | 1.25                    | 1.25                    |
| The India Cements Employees Co-operative Stores Ltd, Sankari                                                | 5000                         | 10                | 0.50                    | 0.50                    | 0.50                    |
| The India Cements Mines Employees Co-operative Stores Ltd, Sankari                                          | 5300                         | 10                | 0.53                    | 0.53                    | 0.53                    |
|                                                                                                             |                              |                   | 2.28                    | 2.28                    | 2.28                    |
| <b>Total - Investments in Equity</b>                                                                        |                              |                   | <b>21306.34</b>         | <b>14420.54</b>         | <b>14424.54</b>         |
| <b>2 Investments in Preference share capital (Unquoted):</b>                                                |                              |                   |                         |                         |                         |
| <b>Subsidiaries:</b>                                                                                        |                              |                   |                         |                         |                         |
| Industrial Chemicals & Monomers Ltd.                                                                        | 5000                         | 100               | 0.20                    | 0.20                    | 0.20                    |
| 9% Non-Convertible Cumulative Redeemable Preference Shares of Trinetra Cement Ltd. (Refer Note No.40.5)     | 1000000                      | 100               | 1000.00                 | 1000.00                 | 1000.00                 |
| 9% Non-Convertible non-Cumulative Redeemable Preference Shares of Trinetra Cement Ltd. (Refer Note No.40.5) | 8667097                      | 100               | 8667.10                 | 8667.10                 | 8667.10                 |
| Coromandel Electric Company Limited                                                                         | 11600                        | 10000             | 0.00                    | 0.00                    | 48.90                   |
| Total - Investments in Preference share capital                                                             |                              |                   | 9667.30                 | 9667.30                 | 9716.20                 |
| <b>3 Government &amp; Trustee Securities (Unquoted):</b>                                                    |                              |                   |                         |                         |                         |
| National Savings Certificates                                                                               |                              |                   | 1.25                    | 1.25                    | 1.25                    |
| Indira Vikas Patra Certificates                                                                             |                              |                   | 0.02                    | 0.02                    | 0.02                    |
| <b>Total - Government &amp; Trustee Securities</b>                                                          |                              |                   | <b>1.27</b>             | <b>1.27</b>             | <b>1.27</b>             |



|                                                                                                                                                                       | No. of Shares/<br>Debentures | Face Value<br>Rs. | 31-03-2017<br>Rs. Lakhs        | 31-03-2016<br>Rs. Lakhs        | 01-04-2015<br>Rs. Lakhs         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|--------------------------------|--------------------------------|---------------------------------|
| <b>4 Investments in Debentures (Unquoted):</b>                                                                                                                        |                              |                   |                                |                                |                                 |
| <b>(a) In Subsidiaries:</b>                                                                                                                                           |                              |                   |                                |                                |                                 |
| Zero% Unsecured Convertible Debentures of ICL Financial Services Ltd.                                                                                                 | 48555000                     | 100               | 11210.63                       | 11210.63                       | 11210.63                        |
| Zero% Unsecured Convertible Debentures of ICL Securities Ltd.                                                                                                         | 12962540                     | 100               | 12962.54                       | 12962.54                       | 12962.54                        |
| Zero% Unsecured Convertible Debentures of ICL International Ltd.                                                                                                      | 2948000                      | 100               | 2948.00                        | 2948.00                        | 2948.00                         |
| Sub-total                                                                                                                                                             |                              |                   | <u>27121.17</u>                | <u>27121.17</u>                | <u>27121.17</u>                 |
| <b>(b) In Associates:</b>                                                                                                                                             |                              |                   |                                |                                |                                 |
| Zero% Unsecured Convertible Debentures of Coromandel Travels Ltd.<br>(Converted into Equity during the year);<br>(Cost:Rs.6531 Lakhs; Less: Provision: Rs.6531 Lakhs) | 6531000                      | 100               | 0.00                           | 0.00                           | 0.00                            |
| Zero% Unsecured Convertible Debentures of Coromandel Sugars Ltd.<br>(Ref Note No. 40.5)                                                                               | 3550000                      | 100               | 3550.00                        | 3550.00                        | 3550.00                         |
| Sub-total                                                                                                                                                             |                              |                   | <u>3550.00</u>                 | <u>3550.00</u>                 | <u>3550.00</u>                  |
| Total - Investments in Debentures                                                                                                                                     |                              |                   | <u>30671.17</u>                | <u>30671.17</u>                | <u>30671.17</u>                 |
| Total - Investments                                                                                                                                                   |                              |                   | <u>61646.08</u>                | <u>54760.28</u>                | <u>54813.18</u>                 |
| Aggregate value of :                                                                                                                                                  |                              |                   |                                |                                |                                 |
| Quoted Investments                                                                                                                                                    |                              |                   | 477.32                         | 477.32                         | 477.32                          |
| Unquoted Investments                                                                                                                                                  |                              |                   | 61168.76                       | 54282.96                       | 54335.88                        |
|                                                                                                                                                                       |                              |                   | <b>31-03-2017<br/>Rs.Lakhs</b> | <b>31-03-2016<br/>Rs.Lakhs</b> | <b>01-04-2015<br/>Rs. Lakhs</b> |
| <b>NON-CURRENT ASSETS</b>                                                                                                                                             |                              |                   |                                |                                |                                 |
| <b>FINANCIAL ASSETS:</b>                                                                                                                                              |                              |                   |                                |                                |                                 |
| <b>6. LOANS</b>                                                                                                                                                       |                              |                   |                                |                                |                                 |
| Loans and Advances to Related Parties                                                                                                                                 |                              |                   | 13573.52                       | 14925.63                       | 9930.59                         |
| Loans and Advances to Body Corporate                                                                                                                                  |                              |                   | 74993.57                       | 68983.46                       | 65253.65                        |
| Housing Loan and other Loans to Employees                                                                                                                             |                              |                   | 1062.86                        | 1114.83                        | 1167.99                         |
|                                                                                                                                                                       |                              |                   | <u>89629.95</u>                | <u>85023.92</u>                | <u>76352.23</u>                 |
| <b>7. OTHER FINANCIAL ASSET</b>                                                                                                                                       |                              |                   |                                |                                |                                 |
| Deposits                                                                                                                                                              |                              |                   | <u>5792.62</u>                 | <u>6050.72</u>                 | <u>7367.76</u>                  |
| <b>8. OTHER NON-CURRENT ASSET</b>                                                                                                                                     |                              |                   |                                |                                |                                 |
| Unsecured and Considered good :                                                                                                                                       |                              |                   |                                |                                |                                 |
| Capital Advances                                                                                                                                                      |                              |                   | <u>27530.66</u>                | <u>27076.80</u>                | <u>20225.11</u>                 |

|                                               | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|-----------------------------------------------|------------------------|------------------------|-------------------------|
| <b>CURRENT ASSETS</b>                         |                        |                        |                         |
| <b>9. INVENTORIES</b>                         |                        |                        |                         |
| Stores / Spares                               | 17367.39               | 16050.30               | 15273.17                |
| Fuel including coal                           | 29585.74               | 22982.70               | 26528.69                |
| Packing Materials                             | 1652.02                | 1134.45                | 1655.51                 |
| Raw Materials                                 | 8965.95                | 4671.18                | 5058.69                 |
| Work-in-Process                               | 902.73                 | 931.40                 | 878.86                  |
| Semi-finished Goods                           | 10733.06               | 7492.61                | 6419.11                 |
| Finished Goods                                | 3769.11                | 4553.63                | 5930.24                 |
| Construction and Infrastructure - In Progress | 1484.65                | 2090.16                | 928.81                  |
| Stock-In-Trade                                | 38.96                  | 36.05                  | 37.29                   |
|                                               | <u>74499.61</u>        | <u>59942.48</u>        | <u>62710.37</u>         |
| <b>10. CURRENT INVESTMENTS</b>                |                        |                        |                         |
| Investments in Mutual Fund                    | <u>254.69</u>          | <u>309.52</u>          | <u>309.52</u>           |
| <b>11. TRADE RECEIVABLES</b>                  |                        |                        |                         |
| Secured, considered good                      | 50888.03               | 53586.96               | 48508.19                |
| Unsecured, considered good                    | 0.00                   | 0.00                   | 0.00                    |
| Doubtful                                      | <u>2094.24</u>         | <u>1971.08</u>         | <u>1774.38</u>          |
| Sub-total                                     | <u>52982.27</u>        | <u>55558.04</u>        | <u>50282.57</u>         |
| Less: Provision for Doubtful Receivables      | <u>(2094.24)</u>       | <u>(1971.08)</u>       | <u>(1774.38)</u>        |
| Total - Sundry Debtors, Considered good       | <u>50888.03</u>        | <u>53586.96</u>        | <u>48508.19</u>         |
| <b>12. CASH AND CASH EQUIVALENTS</b>          |                        |                        |                         |
| Cash on Hand                                  | 80.16                  | 109.84                 | 90.90                   |
| Cash at Banks                                 | 473.44                 | 428.15                 | 4527.24                 |
| Fixed Deposit with Scheduled banks            | <u>123.93</u>          | <u>129.13</u>          | <u>150.25</u>           |
| Total Cash and Cash Equivalents               | <u>677.53</u>          | <u>667.12</u>          | <u>4768.39</u>          |
| <b>13. SHORT TERM LOANS</b>                   |                        |                        |                         |
| Other Advances - Financial Asset              | <u>5130.65</u>         | <u>4843.95</u>         | <u>1704.66</u>          |
| <b>14. CURRENT TAX ASSETS</b>                 |                        |                        |                         |
| Advance payment of tax (Net of provision)     | <u>13884.53</u>        | <u>7513.44</u>         | <u>10267.66</u>         |
| <b>15. OTHER CURRENT ASSETS</b>               |                        |                        |                         |
| Advance for goods                             | 4337.83                | 1061.73                | 396.51                  |
| Prepaid Expenses                              | 3049.78                | 1327.93                | 2460.74                 |
| Other Advances                                | <u>17136.84</u>        | <u>6548.88</u>         | <u>10438.81</u>         |
|                                               | <u>24524.45</u>        | <u>8938.54</u>         | <u>13296.06</u>         |



## 16. SHARE CAPITAL

|                                                                           | No. of<br>Shares | Par value<br>per share | 31-03-2017<br>Rs. lakhs<br>(Rs.) | No. of<br>Shares | Par value<br>per share | 31-03-2016<br>Rs. lakhs<br>(Rs.) | No. of<br>Shares | Par value<br>per share | 01-04-2015<br>Rs. lakhs<br>(Rs.) |
|---------------------------------------------------------------------------|------------------|------------------------|----------------------------------|------------------|------------------------|----------------------------------|------------------|------------------------|----------------------------------|
| <b>AUTHORISED :</b>                                                       |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares                                                             | 460000000        | 10                     | 46000.00                         | 460000000        | 10                     | 46000.00                         | 460000000        | 10                     | 46000.00                         |
| Redeemable Cumulative Preference Shares                                   | 7500000          | 100                    | 7500.00                          | 7500000          | 100                    | 7500.00                          | 7500000          | 100                    | 7500.00                          |
|                                                                           |                  |                        | <u>53500.00</u>                  |                  |                        | <u>53500.00</u>                  |                  |                        | <u>53500.00</u>                  |
| <b>ISSUED :</b>                                                           |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares                                                             | 307178723        | 10                     | 30717.87                         | 307178723        | 10                     | 30717.87                         | 307178723        | 10                     | 30717.87                         |
|                                                                           |                  |                        | <u>30717.87</u>                  |                  |                        | <u>30717.87</u>                  |                  |                        | <u>30717.87</u>                  |
| <b>SUBSCRIBED AND PAID UP:</b>                                            |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares fully paid up:                                              |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Opening balance                                                           | 307177340        | 10                     | 30717.73                         | 307177340        | 10                     | 30717.73                         | 307177340        | 10                     | 30717.73                         |
| Add: partly paid up shares, subscribed fully during the year              | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Add: Subscribed during the year                                           | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Total - Issued, Subscribed and fully paid up                              | <u>307177340</u> |                        | <u>30717.73</u>                  | <u>307177340</u> |                        | <u>30717.73</u>                  | <u>307177340</u> |                        | <u>30717.73</u>                  |
| Equity Shares - Subscribed, but not fully paid<br>(other than Directors): |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Opening balance:                                                          | 1317             | 10                     | 0.10                             | 1317             | 10                     | 0.10                             | 1317             | 10                     | 0.10                             |
| Less: partly paid up shares, Subscribed fully during the year             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Total -Equity Shares Subscribed, but not fully paid                       | <u>1317</u>      |                        | <u>0.10</u>                      | <u>1317</u>      |                        | <u>0.10</u>                      | <u>1317</u>      |                        | <u>0.10</u>                      |
| Sub- total                                                                | <u>307178657</u> |                        | <u>30717.83</u>                  | <u>307178657</u> |                        | <u>30717.83</u>                  | <u>307178657</u> |                        | <u>30717.83</u>                  |
| Share suspense account (see Note below)                                   |                  |                        | 97.44                            |                  |                        | 97.44                            |                  |                        | 97.44                            |
| Total                                                                     |                  |                        | <u>30815.27</u>                  |                  |                        | <u>30815.27</u>                  |                  |                        | <u>30815.27</u>                  |

### List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)

| Shareholder's name                                                                                                                                                                                                                                                                                                          | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------|-------------------------------------|--------------------------|--------|-------------------------------------|--------------------------|--------|-------------------------------------|
| EWS Finance & Investments Pvt Ltd                                                                                                                                                                                                                                                                                           | 27643432                 | 9.00   | 2764.34                             | 27643432                 | 9.00   | 2764.34                             | 27643432                 | 9.00   | 2764.34                             |
| Prince Holdings (Madras) Private Ltd                                                                                                                                                                                                                                                                                        | 25500000                 | 8.30   | 2550.00                             | 25500000                 | 8.30   | 2550.00                             | 25500000                 | 8.30   | 2550.00                             |
| Reliance Capital Trustee Co Ltd A/C-Reliance Regular Savings Fund-Balanced Option, Reliance Regular Savings Fund-Equity Option, Reliance Mid & Small Cap Fund, Reliance Capital Builder Fund 2 SR C, Reliance Capital Builder Fund - SR A, Reliance arbitrage Advantage Fund, Reliance small Cap Fund, Reliance Growth Fund |                          |        |                                     |                          |        |                                     |                          |        |                                     |
|                                                                                                                                                                                                                                                                                                                             | 21470600                 | 6.99   | 2147.06                             | 10589231                 | 3.44   | 1058.92                             | 7229231                  | 2.35   | 722.92                              |
| Mrs.Vidya Subramanian *                                                                                                                                                                                                                                                                                                     | 19954024                 | 6.50   | 1995.40                             | 19954024                 | 6.50   | 1995.40                             | 19954024                 | 6.50   | 1995.40                             |
| Life Insurance Corporation of India Ltd                                                                                                                                                                                                                                                                                     | 16820309                 | 5.48   | 1682.03                             | 18609745                 | 6.06   | 1860.97                             | 18609745                 | 6.06   | 1860.97                             |
| Trishul Investments Private Limited                                                                                                                                                                                                                                                                                         | 17525976                 | 5.71   | 1752.60                             | 17525976                 | 5.71   | 1752.60                             | 17525976                 | 5.71   | 1752.60                             |
| ELM Park Fund Limited                                                                                                                                                                                                                                                                                                       | 16083496                 | 5.24   | 1608.35                             | 15361746                 | 5.00   | 1536.17                             | 14016058                 | 4.56   | 1401.61                             |
| The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation and The Boston Company Asset Management LLC together with PAC                                                                                                                                                                    |                          |        |                                     |                          |        |                                     |                          |        |                                     |
|                                                                                                                                                                                                                                                                                                                             | -                        | -      | -                                   | 16123641                 | 5.25   | 1612.36                             | 28283158                 | 9.21   | 2828.32                             |

**Terms / Rights / restrictions attached to shares:**

The Company has only one class of Equity share. Each share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Shares, as given below:

During the year 2005-06, the Company allotted 5,12,27,592 underlying equity shares of Rs.10/- each represented by 2,56,13,796 Global Depository Shares (GDSs) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

During the previous year 2015-16, the Company had declared and distributed a dividend of Re.1.00 per share.

**Shares reserved for issue under Employee Stock Option Scheme:**

During the year 2006-07, the company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. There are no shares reserved for issue under options as at March 31,2016.

As recommended by the Compensation Committee, the Board of Directors has granted, as on 01.04.2017, 18.35 lakhs options to eligible employees under Employees Stock Option Scheme, 2016 (Scheme). The options granted under the Scheme will vest with the employees on 01.04.2018 and the vested options shall be exercised within one year from the date of vesting. On exercise of each option, one equity share of Rs.10/- each fully paid-up will be allotted at a price of Rs.50/- per share, including a premium of Rs.40/- per share.

\* Shares are held in the capacity of a Trustee for the shares held by the Whollyowned Subsidiaries in Trusts.

**Note on increase in Authorised Capital arising on approval of Scheme of Amalgamation / Arrangement:**

Post amalgamation, the capital structure of the Company will be as under:

Pending allotment of shares to the eligible shareholders of the transferor companies, the share capital is shown as share suspense A/c in the financial statements.

|                                             | No. of<br>Shares | Par value<br>per share (Rs.) | Rs. Lakhs        |
|---------------------------------------------|------------------|------------------------------|------------------|
| <b>AUTHORISED :</b>                         |                  |                              |                  |
| Equity Shares                               | 529808600        | 10                           | 52980.86         |
| Redeemable Cumulative Preference Shares     | 7500000          | 100                          | 7500.00          |
| Redeemable Non-Cumulative Preference Shares | 81500000         | 100                          | 81500.00         |
|                                             |                  |                              | <u>141980.86</u> |
| <b>ISSUED :</b>                             |                  |                              |                  |
| Equity Shares                               | 308153140        | 10                           | <u>30815.31</u>  |
| <b>SUBSCRIBED AND PAID UP :</b>             |                  |                              |                  |
| Equity Shares                               |                  |                              |                  |
| Fully paid up shares                        | 308151757        | 10                           | 30815.18         |
| Add: partly paid up shares                  | 1317             | 10                           | 0.09             |
| Total issued, subscribed and fully paid up  | <u>308153074</u> |                              | <u>30815.27</u>  |



|                                                                                   | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|-----------------------------------------------------------------------------------|------------------------|------------------------|-------------------------|
| <b>17. OTHER EQUITY</b>                                                           |                        |                        |                         |
| <b>Capital Reserve</b>                                                            | <b>16.17</b>           | 16.17                  | 16.17                   |
| <b>Capital Redemption Reserve</b>                                                 | <b>2500.00</b>         | 2500.00                | 2500.00                 |
| <b>Securities Premium</b>                                                         |                        |                        |                         |
| Opening balance                                                                   | <b>147670.92</b>       | 147670.92              | 147670.92               |
| Closing balance                                                                   | <b>147670.92</b>       | 147670.92              | 147670.92               |
| <b>Debenture Redemption Reserve</b>                                               |                        |                        |                         |
| Opening balance                                                                   | <b>48.00</b>           | 48.00                  | 48.00                   |
| Closing balance                                                                   | <b>48.00</b>           | 48.00                  | 48.00                   |
| <b>Revaluation Reserve (transferred to Ind AS Transition Reserve)</b>             |                        |                        |                         |
| Opening balance                                                                   | <b>0.00</b>            | 0.00                   | 0.00                    |
| Closing balance                                                                   | <b>0.00</b>            | 0.00                   | 0.00                    |
| <b>General Reserve</b>                                                            |                        |                        |                         |
| Opening balance                                                                   | <b>24000.00</b>        | 20000.00               | 20000.00                |
| Add : Additions during the year                                                   | <b>6000.00</b>         | 4000.00                | 0.00                    |
| Closing balance                                                                   | <b>30000.00</b>        | 24000.00               | 20000.00                |
| <b>Deferred Income</b>                                                            |                        |                        |                         |
| Opening balance                                                                   | <b>2509.30</b>         | 2702.27                | 2895.13                 |
| Less: Transfer / withdrawals                                                      | <b>192.96</b>          | 192.97                 | 192.86                  |
| Closing balance                                                                   | <b>2316.34</b>         | 2509.30                | 2702.27                 |
| <b>Shipping Tonnage Tax Reserve</b>                                               | <b>90.00</b>           | 90.00                  | 90.00                   |
| <b>Other Retained Earnings</b>                                                    |                        |                        |                         |
| Ind AS Transition Reserve (Refer Note No. 40.17)                                  | <b>203586.84</b>       | 203586.84              | 203586.84               |
| <b>Surplus in Profit &amp; Loss Account</b>                                       |                        |                        |                         |
| Opening balance (Refer Note No. 40.21)                                            | <b>86856.16</b>        | 78007.88               | 78468.70                |
| Add: Profit/(Loss) after tax for the year                                         | <b>16787.91</b>        | 12994.79               | 2944.95                 |
| Add: Net profit / (Loss) of the amalgamating entities                             | <b>0.00</b>            | -146.51                | -3405.77                |
| <b>Sub-total</b>                                                                  | <b>103644.07</b>       | 90856.16               | 78007.88                |
| <b>Appropriations</b>                                                             |                        |                        |                         |
| Dividend (10%) on Equity capital (Proposed for the year 2015-16, paid in 2016-17) | <b>3071.78</b>         | 0.00                   | 0.00                    |
| Dividend Distribution tax                                                         | <b>625.34</b>          | 0.00                   | 0.00                    |
| Transfer to General Reserve                                                       | <b>6000.00</b>         | 4000.00                | 0.00                    |
| Transfer to / (from) Debenture redemption reserve                                 | <b>0.00</b>            | 0.00                   | 0.00                    |
| <b>Sub-total</b>                                                                  | <b>9697.12</b>         | 4000.00                | 0.00                    |
| Closing balance                                                                   | <b>93946.95</b>        | 86856.16               | 78007.88                |
| <b>Total - Other Equity</b>                                                       | <b>480175.22</b>       | 467277.39              | 454622.08               |



|                                                         | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|---------------------------------------------------------|------------------------|------------------------|-------------------------|
| <b>NON-CURRENT LIABILITIES</b>                          |                        |                        |                         |
| <b>18. LONG-TERM BORROWINGS</b>                         |                        |                        |                         |
| 1. Secured (Refer Note No. 39)                          |                        |                        |                         |
| a. Term Loans from Banks                                | 189611.16              | 114149.30              | 149880.67               |
| b. Debentures                                           | 13846.15               | 0.00                   | 0.00                    |
| c. Others                                               | 0.00                   | 52120.82               | 41418.37                |
| 2. Unsecured others                                     | 34508.29               | 39753.59               | 45336.70                |
|                                                         | <u>237965.60</u>       | <u>206023.71</u>       | <u>236635.74</u>        |
| <b>19. LONG-TERM PROVISIONS</b>                         |                        |                        |                         |
| Provision for Unavailed leave and Mines Refilling       | 16066.05               | 16069.65               | 15616.42                |
| <b>20. DEFERRED TAX LIABILITY (NET)</b>                 |                        |                        |                         |
| Deferred Tax Liability (net)                            | 65564.28               | 57186.51               | 54255.02                |
| <b>21. OTHER LONG-TERM LIABILITIES</b>                  |                        |                        |                         |
| Deposits                                                | 2806.26                | 2428.71                | 3706.81                 |
| <b>CURRENT LIABILITIES</b>                              |                        |                        |                         |
| <b>22. CURRENT BORROWINGS</b>                           |                        |                        |                         |
| Secured:                                                |                        |                        |                         |
| Loans repayable on Demand:                              |                        |                        |                         |
| a. Cash Credit facilities from Banks                    | 19477.13               | 47039.93               | 53980.17                |
| Unsecured:                                              |                        |                        |                         |
| Loans repayable on Demand:                              |                        |                        |                         |
| b. Unsecured loans from Banks                           | 10700.00               | 6000.00                | 2000.00                 |
|                                                         | <u>30177.13</u>        | <u>53039.93</u>        | <u>55980.17</u>         |
| <b>23. TRADE PAYABLES</b>                               |                        |                        |                         |
| 1. Creditors for Goods                                  | 40877.63               | 28975.58               | 28706.88                |
| 2. Acceptances                                          | 38505.38               | 31967.94               | 27521.47                |
| 3. Other Trade Payables                                 | 41839.42               | 32949.55               | 32210.16                |
| 4. Trade deposits from Customers                        | 10579.78               | 9777.33                | 7683.70                 |
|                                                         | <u>131802.21</u>       | <u>103670.40</u>       | <u>96122.21</u>         |
| <b>24. OTHER FINANCIAL LIABILITIES</b>                  |                        |                        |                         |
| 1. Current Maturities - Secured Loans - Banks           | 16899.01               | 44204.19               | 39846.33                |
| 2. Current Maturities - Secured Loans - Others          | 0.00                   | 5357.14                | 5833.05                 |
| 3. Current Maturities - Unsecured Loans - Others        | 7087.17                | 6869.21                | 6558.07                 |
| 4. Interest accrued but not due on borrowings           | 1995.03                | 1464.53                | 4060.76                 |
| 5. Creditors Capital goods                              | 2755.59                | 1915.65                | 1144.31                 |
| 6. Other Liabilities                                    | 31168.68               | 30226.55               | 30337.44                |
| 7. Dividend payable                                     | 83.87                  | 89.43                  | 107.84                  |
| 8. Unpaid matured deposits and Interest accrued thereon | 11.59                  | 28.79                  | 18.16                   |
|                                                         | <u>60000.94</u>        | <u>90155.49</u>        | <u>87905.96</u>         |



|                                      | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|--------------------------------------|------------------------|------------------------|-------------------------|
| <b>25. SHORT-TERM PROVISIONS</b>     |                        |                        |                         |
| Unpaid Dividend (Provision)          | <u>17.93</u>           | <u>16.72</u>           | <u>16.72</u>            |
| <b>26. CURRENT TAX LIABILITIES</b>   |                        |                        |                         |
| Provision for Income Tax (Net)       | <u>2218.26</u>         | <u>2218.26</u>         | <u>2206.26</u>          |
| <b>27. OTHER CURRENT LIABILITIES</b> |                        |                        |                         |
| Customer Credit Balances             | <u>6918.76</u>         | <u>7315.59</u>         | <u>6230.81</u>          |

|                                                                | Apr-16 to Mar-17       |                         | Apr-15 to Mar-16<br>without merger |
|----------------------------------------------------------------|------------------------|-------------------------|------------------------------------|
|                                                                | Rs.Lakhs               | Rs. Lakhs               | Rs.Lakhs<br>Rs. Lakhs              |
| <b>28. REVENUE FROM OPERATIONS</b>                             |                        |                         |                                    |
| Sales including Excise Duty                                    |                        | <b>559440.80</b>        | 470322.43                          |
| Other Operating Revenues:                                      |                        |                         |                                    |
| Freight Earnings                                               |                        | <b>1398.34</b>          | 4070.86                            |
| Value of Power Generated from Wind Farms                       |                        | <b>1799.98</b>          | 1279.38                            |
| Income from Thermal Power Plant                                |                        | <b>385.67</b>           | 3038.16                            |
| Income from Ready Mix Concrete                                 |                        | <b>10131.79</b>         | 0.00                               |
| Income from Construction and Infrastructure Projects           |                        | <b>3690.42</b>          | 1812.15                            |
| Trade Sales                                                    |                        | <b>905.49</b>           | 620.21                             |
| Revenue from Operations including Excise Duty                  |                        | <u><b>577752.49</b></u> | <u>481143.19</u>                   |
| <b>29. OTHER INCOME</b>                                        |                        |                         |                                    |
| Dividend Income                                                | <b>0.00</b>            |                         | 5.94                               |
| Interest Income                                                | <b>607.57</b>          |                         | 1757.91                            |
| Gain on Sale of Investments                                    | <b>0.00</b>            |                         | 0.00                               |
| Other Non-Operating Income                                     |                        | <b>607.57</b>           | 1763.85                            |
| Rent Recovery                                                  |                        | <b>26.19</b>            | 28.43                              |
| Profit on Sale of Assets                                       |                        | <b>440.63</b>           | 20.91                              |
| Foreign Exchange translation difference                        |                        | <b>7.23</b>             | 11.30                              |
| Miscellaneous Income                                           |                        | <b>569.60</b>           | 391.62                             |
| Total other Income                                             |                        | <u><b>1651.22</b></u>   | <u>2216.11</u>                     |
| <b>30. COST OF MATERIALS CONSUMED</b>                          |                        |                         |                                    |
| Raw Material Consumed                                          |                        |                         |                                    |
| Opening Stock (2015-16 excluding amalgamating companies)       |                        | <b>4670.52</b>          | 4321.51                            |
| Add: Purchases                                                 | <b>69446.48</b>        |                         | 47391.60                           |
| Add: Own Quarrying (Net) (Refer Note No.40.6)                  | <u><b>24414.38</b></u> | <u><b>93860.86</b></u>  | <u>68451.16</u>                    |
| Less: Closing Stock (2015-16 excluding amalgamating companies) |                        | <u><b>8965.95</b></u>   | <u>4140.50</u>                     |
| Total Raw Materials Consumed                                   |                        | <u><b>89655.43</b></u>  | <u>68632.17</u>                    |

|                                                                       | Apr-16 to Mar-17 |                         | Apr-15 to Mar-16<br>without merger |                        |
|-----------------------------------------------------------------------|------------------|-------------------------|------------------------------------|------------------------|
|                                                                       | Rs.Lakhs         | Rs. Lakhs               | Rs.Lakhs                           | Rs. Lakhs              |
| <b>31. PURCHASES OF TRADED STOCK</b>                                  |                  |                         |                                    |                        |
| Trade Purchases                                                       |                  | <u>848.03</u>           |                                    | <u>587.67</u>          |
| <b>32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS</b> |                  |                         |                                    |                        |
| Opening Stock:                                                        |                  |                         |                                    |                        |
| Work-in-Process                                                       | 931.39           |                         | 792.00                             |                        |
| Semi-finished Goods                                                   | 7492.62          |                         | 5927.50                            |                        |
| Finished Goods                                                        | 4553.64          |                         | 5586.45                            |                        |
| Stock-in-Trade                                                        | 36.05            |                         | 37.29                              |                        |
| Construction & Infrastructure - Projects-in-Progress                  | <u>2090.16</u>   |                         | <u>928.81</u>                      |                        |
|                                                                       |                  | <b>15103.86</b>         |                                    | <b>13272.05</b>        |
| Closing Stock :                                                       |                  |                         |                                    |                        |
| Work-in-Process                                                       | 902.73           |                         | 859.79                             |                        |
| Semi-finished Goods                                                   | 10733.41         |                         | 7035.63                            |                        |
| Finished Goods                                                        | 3769.11          |                         | 4245.09                            |                        |
| Stock-in-Trade                                                        | 38.62            |                         | 36.05                              |                        |
| Construction & Infrastructure - Projects-in-Progress                  | <u>1484.65</u>   |                         | <u>2090.16</u>                     |                        |
|                                                                       |                  | <b>16928.52</b>         |                                    | <b>14266.72</b>        |
| Total (Increase) / Decrease in stock                                  |                  | <b><u>(1824.66)</u></b> |                                    | <b><u>(994.67)</u></b> |
| <b>33. EMPLOYEE BENEFITS EXPENSE</b>                                  |                  |                         |                                    |                        |
| (a) Employees other than Directors:                                   |                  |                         |                                    |                        |
| Salaries, Wages and Bonus                                             |                  | 25251.38                |                                    | 24122.77               |
| Contribution to Provident Fund                                        |                  | 1359.09                 |                                    | 1146.91                |
| Gratuity                                                              |                  | 1667.80                 |                                    | 853.06                 |
| Superannuation                                                        |                  | 1246.32                 |                                    | 1329.77                |
| Employees' Provident Fund Administration Charges                      |                  | 86.71                   |                                    | 75.00                  |
| Employees' State Insurance Scheme                                     |                  | 56.37                   |                                    | 46.77                  |
| Workmen and Staff Welfare Expenses                                    |                  | 4152.86                 |                                    | 4452.15                |
| Unavailed leave balance                                               |                  | <u>2207.70</u>          |                                    | <u>1030.94</u>         |
| Employees other than Directors - Total                                |                  | <b><u>36028.23</u></b>  |                                    | <b><u>33057.37</u></b> |
| (b) Directors:                                                        |                  |                         |                                    |                        |
| Director's Remuneration:                                              |                  |                         |                                    |                        |
| Managing Director:                                                    |                  |                         |                                    |                        |
| Salary                                                                | 564.00           |                         | 360.00                             |                        |
| HRA                                                                   | 169.20           |                         | 108.00                             |                        |
| Contribution to Provident Fund                                        | 67.68            |                         | 43.20                              |                        |
| Contribution to Gratuity and Superannuation funds                     | 108.10           |                         | 69.00                              |                        |
| Commission                                                            | 400.00           |                         | 300.00                             |                        |
| Others                                                                | <u>6.35</u>      | <u>1315.33</u>          | <u>6.94</u>                        | <u>887.14</u>          |



|                                                        | Apr-16 to Mar-17 |           | Apr-15 to Mar-16<br>without merger |           |
|--------------------------------------------------------|------------------|-----------|------------------------------------|-----------|
|                                                        | Rs.Lakhs         | Rs. Lakhs | Rs.Lakhs                           | Rs. Lakhs |
| Whole Time Director:                                   |                  |           |                                    |           |
| Salary                                                 | 150.00           |           | 152.18                             |           |
| HRA                                                    | 45.00            |           | 45.65                              |           |
| Contribution to Provident Fund                         | 18.00            |           | 18.26                              |           |
| Contribution to Gratuity and Superannuation funds      | 28.75            |           | 29.17                              |           |
| Commission                                             | 200.00           |           | 120.00                             |           |
| Others                                                 | 0.00             | 441.75    | 0.00                               | 365.26    |
| Director's Remuneration-Total                          |                  | 1757.08   |                                    | 1252.40   |
| Total Employee benefits expense (a+b)                  |                  | 37785.31  |                                    | 34309.77  |
| <b>34. FINANCE COSTS</b>                               |                  |           |                                    |           |
| Interest expense                                       |                  | 25572.01  |                                    | 26232.64  |
| Other borrowing costs                                  |                  | 10316.04  |                                    | 10379.53  |
| Loss on Foreign currency transactions and translations |                  | 157.86    |                                    | 1638.04   |
|                                                        |                  | 36045.91  |                                    | 38250.21  |
| <b>35. MANUFACTURING AND OTHER OPERATING EXPENSES</b>  |                  |           |                                    |           |
| Stores Consumed                                        |                  | 5626.15   |                                    | 3543.68   |
| Power and Fuel                                         |                  | 105974.36 |                                    | 94457.39  |
| Repairs & Maintenance:                                 |                  |           |                                    |           |
| Building                                               | 406.56           |           | 232.53                             |           |
| Machinery                                              | 8705.19          |           | 7496.79                            |           |
| Others                                                 | 2704.38          | 11816.13  | 2277.35                            | 10006.67  |
| Agency and Port Expenses                               |                  | 135.32    |                                    | 184.04    |
| Excise Duty                                            |                  | 69836.06  |                                    | 58241.62  |
|                                                        |                  | 193388.02 |                                    | 166433.40 |
| <b>36. ADMINISTRATION AND OTHER CHARGES</b>            |                  |           |                                    |           |
| Insurance and P&I Charges                              |                  | 651.25    |                                    | 639.45    |
| Rent                                                   |                  | 173.42    |                                    | 169.85    |
| Rates and Taxes                                        |                  | 1002.35   |                                    | 1230.51   |
| Printing and Stationery                                |                  | 210.80    |                                    | 204.30    |
| Postage, Telephones and Telegrams                      |                  | 413.10    |                                    | 405.77    |
| Other Administration Expenses                          |                  | 10296.59  |                                    | 8256.44   |
| Legal Fees                                             |                  | 530.23    |                                    | 507.13    |
| Directors' Sitting Fees                                |                  | 13.07     |                                    | 15.43     |
| Audit Expenses:                                        |                  |           |                                    |           |
| Audit Fees                                             | 106.15           |           | 80.00                              |           |
| Cost Audit Fees                                        | 17.15            |           | 15.00                              |           |
| Certifications / Others                                | 12.85            |           | 17.37                              |           |
| Tax Audit / Other Services                             | 11.11            |           | 20.05                              |           |
| Travel / out of pocket expenses                        | 18.29            | 165.55    | 13.11                              | 145.53    |
| Loss on sale of assets                                 |                  | 244.90    |                                    | 88.14     |
| Provision for Doubtful Advances                        |                  | 492.91    |                                    | 281.45    |
|                                                        |                  | 14194.17  |                                    | 11944.00  |

|                                                              | Apr-16 to Mar-17 |                  | Apr-15 to Mar-16<br>without merger |
|--------------------------------------------------------------|------------------|------------------|------------------------------------|
|                                                              | Rs.Lakhs         | Rs. Lakhs        | Rs.Lakhs<br>Rs. Lakhs              |
| <b>37. SELLING AND DISTRIBUTION EXPENSES</b>                 |                  |                  |                                    |
| Packing Charges                                              |                  | 20744.40         | 16800.24                           |
| Entry Tax                                                    |                  | 449.93           | 76.95                              |
| Freight outwards                                             |                  | 103134.19        | 78594.46                           |
| Handling                                                     |                  | 9995.24          | 8438.30                            |
| Advertisement                                                |                  | 6064.20          | 5719.62                            |
| Others                                                       |                  | 16245.05         | 12048.19                           |
|                                                              |                  | <u>156633.01</u> | <u>121677.76</u>                   |
| <b>38. DONATIONS</b>                                         |                  |                  |                                    |
| The India Cements Educational Society                        |                  | 400.00           | 400.00                             |
| Others                                                       |                  | 659.89           | 609.61                             |
|                                                              |                  | <u>1059.89</u>   | <u>1009.61</u>                     |
| <b>Corporate Social Responsibility (CSR) Expenditure:</b>    |                  |                  |                                    |
| CSR Expenditure included in Donation:                        |                  |                  |                                    |
| The India Cements Education Society                          |                  | 400.00           | 400.00                             |
| Others                                                       |                  | 108.10           | 276.21                             |
|                                                              |                  | <u>508.10</u>    | <u>676.21</u>                      |
| CSR expenditure included in administration and other charges |                  | 233.27           | 188.28                             |
| Total CSR expenditure incurred                               |                  | <u>741.37</u>    | <u>864.49</u>                      |

**NOTE 39**

**BRAKE-UP OF BORROWINGS**

|                                                                                                                                   | Non Current Portion |             |             | Current Maturities |             |             | Total           |             |             |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------|-------------|--------------------|-------------|-------------|-----------------|-------------|-------------|
|                                                                                                                                   | 31-Mar-17           | 31-Mar-16   | 01-Apr-15   | 31-Mar-17          | 31-Mar-16   | 01-Apr-15   | 31-Mar-17       | 31-Mar-16   | 01-Apr-15   |
|                                                                                                                                   | Rs. lakhs           | Rs. lakhs   | Rs. lakhs   | Rs. lakhs          | Rs. lakhs   | Rs. lakhs   | Rs. lakhs       | Rs. lakhs   | Rs. lakhs   |
| <b>SECURED:</b>                                                                                                                   |                     |             |             |                    |             |             |                 |             |             |
| (a) Debentures:                                                                                                                   |                     |             |             |                    |             |             |                 |             |             |
| 1 HDFC BANK - 1,500 Nos, Rated, Unlisted,<br>Secured, Redeemable Non-Convertible<br>Debentures of Face Value of Rs.10,00,000 each | 13846.15            | 0.00        | 0.00        | 1153.85            | 0.00        | 0.00        | 15000.00        | 0.00        | 0.00        |
| Debentures Total                                                                                                                  | <u>13846.15</u>     | <u>0.00</u> | <u>0.00</u> | <u>1153.85</u>     | <u>0.00</u> | <u>0.00</u> | <u>15000.00</u> | <u>0.00</u> | <u>0.00</u> |
| (b) Term Loans:                                                                                                                   |                     |             |             |                    |             |             |                 |             |             |
| From Banks:                                                                                                                       |                     |             |             |                    |             |             |                 |             |             |
| 2 IDBI Bank Ltd                                                                                                                   | 0.00                | 0.00        | 300.72      | 0.00               | 0.00        | 1164.42     | 0.00            | 0.00        | 1465.14     |
| 3 IDBI Bank Ltd                                                                                                                   | 0.00                | 0.00        | 136.50      | 0.00               | 0.00        | 528.55      | 0.00            | 0.00        | 665.05      |
| 4 IDBI Bank Ltd                                                                                                                   | 0.00                | 0.00        | 9.66        | 0.00               | 0.00        | 70.79       | 0.00            | 0.00        | 80.45       |
| 5 Punjab National Bank                                                                                                            | 0.00                | 0.00        | 0.00        | 0.00               | 0.00        | 1238.94     | 0.00            | 0.00        | 1238.94     |
| 6 Kotak Mahindra Bank                                                                                                             | 0.00                | 0.00        | 0.00        | 0.00               | 0.00        | 111.15      | 0.00            | 0.00        | 111.15      |
| 7 Kotak Mahindra Bank                                                                                                             | 0.00                | 0.00        | 916.63      | 0.00               | 916.63      | 1083.29     | 0.00            | 916.63      | 1999.92     |
| 8 Kotak Mahindra Bank                                                                                                             | 0.00                | 0.00        | 0.00        | 0.00               | 0.00        | 6513.60     | 0.00            | 0.00        | 6513.60     |
| 9 Kotak Mahindra Bank                                                                                                             | 0.00                | 0.00        | 0.00        | 0.00               | 0.00        | 1567.99     | 0.00            | 0.00        | 1567.99     |
| 10 Kotak Mahindra Bank                                                                                                            | 0.00                | 958.40      | 1458.45     | 0.00               | 500.04      | 583.14      | 0.00            | 1458.44     | 2041.59     |
| 11 Axis Bank Ltd                                                                                                                  | 0.00                | 0.00        | 0.00        | 0.00               | 0.00        | 2949.94     | 0.00            | 0.00        | 2949.94     |
| 12 Axis Bank Ltd                                                                                                                  | 0.00                | 10500.00    | 14500.00    | 0.00               | 3000.00     | 4000.00     | 0.00            | 13500.00    | 18500.00    |
| 13 ICICI Bank Ltd                                                                                                                 | 0.00                | 5454.60     | 9090.91     | 0.00               | 3636.30     | 0.00        | 0.00            | 9090.90     | 9090.91     |



|                                                                             | Non Current Portion    |                        |                        | Current Maturities     |                        |                        | Total                  |                        |                        |
|-----------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                             | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs |
| 14 IDBI Bank Ltd                                                            | 0.00                   | 8333.28                | 13888.80               | 0.00                   | 5092.56                | 5555.52                | 0.00                   | 13425.84               | 19444.32               |
| 15 Karnataka Bank                                                           | 0.00                   | 0.00                   | 2125.00                | 0.00                   | 0.00                   | 4250.00                | 0.00                   | 0.00                   | 6375.00                |
| 16 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 2500.00                | 5000.00                | 0.00                   | 2500.00                | 7500.00                |
| 17 HDFC Bank Ltd                                                            | 0.00                   | 82.70                  | 538.00                 | 0.00                   | 47.96                  | 0.00                   | 0.00                   | 130.66                 | 538.00                 |
| 18 ICICI Bank Ltd                                                           | 10458.00               | 15687.00               | 20916.00               | 5229.00                | 5229.00                | 5229.00                | 15687.00               | 20916.00               | 26145.00               |
| 19 IDBI Bank Ltd                                                            | 17392.35               | 41666.70               | 50000.00               | 0.00                   | 8333.30                | 0.00                   | 17392.35               | 50000.00               | 50000.00               |
| 20 ICICI Bank Ltd                                                           | 20100.00               | 26800.00               | 33500.00               | 375.00                 | 6700.00                | 0.00                   | 20475.00               | 33500.00               | 33500.00               |
| 21 IDBI Bank Ltd                                                            | 29703.00               | 0.00                   | 0.00                   | 297.00                 | 0.00                   | 0.00                   | 30000.00               | 0.00                   | 0.00                   |
| 22 ICICI Bank Ltd                                                           | 14850.00               | 0.00                   | 0.00                   | 150.00                 | 0.00                   | 0.00                   | 15000.00               | 0.00                   | 0.00                   |
| 23 State Bank of India                                                      | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 24 Andhra Bank                                                              | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 25 Central Bank of India                                                    | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 26 ICICI Bank Ltd                                                           | 12692.31               | 0.00                   | 0.00                   | 2307.69                | 0.00                   | 0.00                   | 15000.00               | 0.00                   | 0.00                   |
| 27 Yes Bank Ltd                                                             | 20000.00               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 20000.00               | 0.00                   | 0.00                   |
| 28 Kotak Mahindra Bank                                                      | 3809.50                | 0.00                   | 0.00                   | 1190.50                | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   |
| 29 Kotak Mahindra Bank                                                      | 1500.00                | 3000.00                | 0.00                   | 1500.00                | 1500.00                | 0.00                   | 3000.00                | 4500.00                | 0.00                   |
| 30 HDFC Bank Ltd                                                            | 0.00                   | 1666.62                | 0.00                   | 0.00                   | 3333.38                | 0.00                   | 0.00                   | 5000.00                | 0.00                   |
| 31 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 0.00                   |
| 32 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   |
| Total Secured Loans from Banks                                              | 189611.16              | 114149.30              | 149880.67              | 15745.19               | 40789.17               | 39846.33               | 205356.35              | 154938.47              | 189727.00              |
| From Others                                                                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| 33 L&T Infrastructure Finance Company Limited                               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 3332.91                | 0.00                   | 0.00                   | 3332.91                |
| 34 Aditya Birla Finance Limited                                             | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 2500.14                | 0.00                   | 0.00                   | 2500.14                |
| 35 IFCI Ltd.                                                                | 0.00                   | 19642.86               | 25000.00               | 0.00                   | 5357.14                | 0.00                   | 0.00                   | 25000.00               | 25000.00               |
| 36 IFCI Ltd.                                                                | 0.00                   | 20000.00               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 20000.00               | 0.00                   |
| 37 Indo Star Capital Finance Limited                                        | 0.00                   | 12477.96               | 16418.37               | 0.00                   | 3415.02                | 0.00                   | 0.00                   | 15892.98               | 16418.37               |
| Total Secured Loans from Others                                             | 0.00                   | 52120.82               | 41418.37               | 0.00                   | 8772.16                | 5833.05                | 0.00                   | 60892.98               | 47251.42               |
| Total Secured long term borrowings                                          | 203457.31              | 166270.12              | 191299.04              | 16899.04               | 49561.33               | 45679.38               | 220356.35              | 215831.45              | 236978.42              |
| UNSECURED                                                                   |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| From Banks                                                                  |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| 1 HDFC Bank Ltd                                                             | 0.00                   | 0.00                   | 0.00                   | 2000.00                | 5000.00                | 2000.00                | 2000.00                | 5000.00                | 2000.00                |
| 2 HDFC Bank Ltd                                                             | 0.00                   | 0.00                   | 0.00                   | 2700.00                | 1000.00                | 0.00                   | 2700.00                | 1000.00                | 0.00                   |
| 3 HDFC Bank Ltd                                                             | 0.00                   | 0.00                   | 0.00                   | 1000.00                | 0.00                   | 0.00                   | 1000.00                | 0.00                   | 0.00                   |
| 4 HDFC Bank Ltd- Commercial Papers                                          | 0.00                   | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   |
| Total Unsecured Loans from Banks                                            | 0.00                   | 0.00                   | 0.00                   | 10700.00               | 6000.00                | 2000.00                | 10700.00               | 6000.00                | 2000.00                |
| From Others                                                                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| (i) Interest free Sales Tax Deferral Loans                                  | 34508.29               | 39753.59               | 45336.70               | 7087.17                | 6869.21                | 6478.95                | 41595.46               | 46622.80               | 51815.65               |
| (ii) Deposits from public                                                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 79.12                  | 0.00                   | 0.00                   | 79.12                  |
| Total Unsecured Loans from Others                                           | 34508.29               | 39753.51               | 45336.70               | 7087.17                | 6869.21                | 6558.07                | 41595.46               | 46622.72               | 51894.77               |
| Total Unsecured Long term Borrowings                                        | 34508.29               | 39753.51               | 45336.70               | 17787.17               | 12869.21               | 8558.07                | 52295.46               | 52622.72               | 53894.77               |
| SECURED                                                                     |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Cash Credit Facilities and other Working Capital Loans from Scheduled Banks | 0.00                   | 0.00                   | 0.00                   | 19477.13               | 47039.93               | 53980.17               | 19477.13               | 47039.93               | 53980.17               |
| Total Borrowed Funds & its Current Maturities                               | 237965.60              | 206023.71              | 236635.74              | 54163.34               | 109470.47              | 108217.62              | 292128.94              | 315494.18              | 344853.36              |

## SECURITY CLAUSE

### (a) Debentures:

- 1 Item (a) (1) The Debentures are secured by way of *pari passu* charge on immovable fixed assets situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.

### (b) Term Loans:

- 1 Items (b) 2 to 4 were secured on Exclusive First charge on the Immovable and Movable Fixed Assets of Malkapur Cement Plant of the Company, on *pari passu* basis among these loans, exclusively in favour of IDBI Bank Ltd.
- 2 Item (b) 5 was secured by a first *pari passu* charge (with other Lenders/ Debenture Trustees) on the Immovable and Movable Fixed Assets of the company.
- 3 Items (b) 6 to 10 were secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 4 Items (b) 11 & 12 were secured by way of exclusive first charge on the Immovable and Movable Fixed Assets of Chennai and Parli grinding units.
- 5 Item (b) 13 was secured by way of exclusive first charge, on *pari passu* basis among the other loans of ICICI Bank Ltd, on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana and power plant of Sankarnagar.  
Item (b) 18 is secured by way of exclusive first charge, on *pari passu* basis among the other loans of ICICI Bank Ltd, on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana.
- 6 Item (b) 14 was secured on exclusive first charge on the Immovable and Movable Fixed Assets of Malkapur Cement Plant of the Company, on *pari passu* basis among its loans, exclusively in favour of IDBI Bank Ltd.
- 7 Item (b) 15 was secured, by joint equitable mortgage on the the Land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 8 Items (b) 16 & 30 were secured, on first charge basis, exclusive on 30-03-2016 & Joint on 31-03-2015, by equitable mortgage on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 9 Item (b) 17 was secured by way of first and exclusive charge on respective vehicle(s) / equipment(s).
- 10 Items (b) 19 & 20 are secured by way of first *pari passu* charge, on the immovable and movable fixed assets of Cement Plant and Thermal power plant of Vishnupuram, Telangana and Immovable and Movable Fixed Assets of the cement grinding unit located at Vallur Village, Ponneri Taluk, Tamil Nadu.
- 11 Items (b) 21 to 25 are secured on first *pari passu* charge on the Immovable and Movable Fixed Assets of Cement Plant & Thermal Power Plant at Sankarnagar and Cement Plant at Malkapur
- 12 Item (b) 26 is secured on exclusive first charge on the Immovable and Movable Fixed Assets of Banswara Cement Plant .
- 13 Item (b) 27 is secured on exclusive first charge on the Immovable and Movable Fixed Assets of Chilamkur Cement Plant of the Company.
- 14 Items (b) 28 & 29 are secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 15 Items (b) 31 & 32 are secured by way of *pari passu* charge on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 16 Items 33 & 34 were secured by way of novated rights over the hypothecation of immovable and movable fixed assets of Chennai and Parli Grinding Units.
- 17 Items (b) 35 & 36 were secured on exclusive first charge on the Immovable and Movable Fixed Assets of Sankarnagar Cement Plant (excluding the Thermal Power Plant) and Chilamkur Cement Plant of the Company.
- 18 Item (b) 37 represents the loan availed by the amalgamating Company viz., Trinetra Cement Limited (TCL) from Indostar Capital Finance Limited, that was secured by hypothecation of TCL's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of TCL's Bankers for securing the working capital facilities and further secured by a first *pari passu* charge on all the fixed assets of the Cement Plant and Thermal Power Plant, at Banswara, Rajasthan, pledge of shares held by promoters and Corporate Guarantee from the Company.
- 19 The Working Capital Facilities availed by the Company are secured by First *Pari Passu* Charge on the Current Assets and by Second Charge on the immovable and movable properties (other than Current Assets), ranking after the charges created / to be created in favour of the Term Lenders, pertaining to Cement business of the Company.





|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| 40.1 Estimated amounts of contracts for Capital Expenditure and Commitments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>4168.63</b>          | 4294.77                 | 3062.29                  |
| 40.2 Monies for which the company is contingently liable:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                         |                         |                          |
| a. Outstanding Letters of Credit Opened By Bankers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>3191.64</b>          | 1975.90                 | 3714.17                  |
| b. Counter Guarantees to Banks / Institutions<br>(including guarantees given on behalf of Subsidiaries and Associates)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>37469.04</b>         | 36462.10                | 54610.96                 |
| c. Unpaid demands under dispute                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                         |                         |                          |
| i) Central Excise & Service Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>26715.06</b>         | 27280.71                | 23376.86                 |
| ii) Sales Tax and Value Added Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>2207.68</b>          | 2160.23                 | 2540.70                  |
| iii) Customs Duty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>6369.70</b>          | 5683.33                 | 4467.60                  |
| iv) Income Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>12167.55</b>         | 5235.19                 | 8613.71                  |
| The above includes Contingent liability pertaining to Raasi Cement Ltd.<br>(Residuary Company) for Sales Tax, Income tax and Central Excise aggregating<br>to Rs.2249.46 Lakhs (Previous Year Rs.2249.46 Lakhs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                         |                         |                          |
| d. Amount paid towards disputed CENVAT / Sales Tax / Income tax Claims<br>pending in different stages of appeal. Management is of the opinion that<br>these are recoverable at values stated.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>761.60</b>           | 707.39                  | 1040.31                  |
| e. Contingent Liability on account of Show cause Notices issued by Excise &<br>other tax authorities (other than (c) & (d) mentioned above) duly contested                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>21224.74</b>         | 20631.39                | 15313.94                 |
| f. Other Claims against the Company not acknowledged as debts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>22659.76</b>         | 26514.49                | 26008.75                 |
| g. The Competition Commission of India (CCI) imposed a penalty of<br>Rs.187.48 Crores on the company (as well as other Companies) based on a<br>complaint filed by the Builders Association of India alleging cartelization and<br>abuse of dominance. The Company appealed against the Order before the<br>Competition Appellate Tribunal (COMPAT) which while staying the operation of<br>the Order, directed the Company to deposit 10% of the penalty as a condition<br>for admitting the Appeal. Accordingly an amount of Rs.18.75 Crores was<br>deposited with the COMPAT on 17-12-2016. The matter is pending with<br>COMPAT. Based on Legal advise, no provision has been considered<br>necessary in the Financial Statements. |                         |                         |                          |
| 40.3 Building includes purchase of flats on leasehold lands for which the documents of<br>title are yet to be executed in favour of the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>11.13</b>            | 11.13                   | 11.13                    |
| 40.4 As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per<br>the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above<br>information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the<br>basis of information available with the Company and the same has been relied upon by the auditors.                                                                                                                                                                                                         |                         |                         |                          |
| 40.5 Note on PMLA.<br>The Authorities have issued an attachment notice under the Prevention of Money Laundering Act, 2002 (PMLA) attaching certain assets of<br>the Company for an aggregate value of Rs. 120.34 Crores. The Company filed an appeal against the order of the adjudicating authority<br>specified under PMLA disputing the attachment of assets. The matter is currently sub-judice.                                                                                                                                                                                                                                                                                                                                   |                         |                         |                          |

|                                                                                                                                                   | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| Details of Assets given below:                                                                                                                    |                         |                         |                          |
| (a) 886 Sq yards plot with 8000 sq.ft building -<br>Punjagutta, Somajiguda circle, Hyderabad                                                      | 82.44                   |                         |                          |
| (b) 245.86 Acres of Land - Konauppalapadu Village,<br>Yadki Mandal, Anantapur Dist.                                                               | 416.10                  |                         |                          |
| (c) 10,00,000 9% Non-Convertible Cumulative Redeemable<br>Preference Shares in Trinetra Cement Ltd.                                               | 1000.00                 |                         |                          |
| (d) 20,32,260 Convertible Debentures of Coromandel Sugars Ltd.                                                                                    | 2032.26                 |                         |                          |
| (e) 86,67,097 9% Non-Convertible Non-Cumulative Redeemable<br>Preference Shares in Trinetra Cement Ltd.                                           | 8667.10                 |                         |                          |
| 40.6 [a] Raw Materials consumed:                                                                                                                  |                         |                         |                          |
| Own Quarrying includes:                                                                                                                           |                         |                         |                          |
| (i) Salaries & Wages                                                                                                                              | 2328.62                 | 2020.44                 |                          |
| (ii) Stores Consumed                                                                                                                              | 3456.74                 | 3295.09                 |                          |
| (iii) Royalty                                                                                                                                     | 11425.73                | 8241.24                 |                          |
| [b] Total Consumption of Stores and Spares during the year including used in<br>own quarrying; Captive Power generation and Repairs & Maintenance | 21709.18                | 17522.52                |                          |
| 40.7 Repairs and maintenance includes Stores & Spares                                                                                             | 6640.03                 | 5019.02                 |                          |
| 40.8 Detailed Information of goods Sold during the Report Period:                                                                                 |                         |                         |                          |
| 1 CEMENT:                                                                                                                                         |                         |                         |                          |
| Sales - Value of Cement [Gross]                                                                                                                   | 553782.43               | 464714.26               |                          |
| Value of White Cement                                                                                                                             | 549.00                  | 99.00                   |                          |
| Value of Clinker                                                                                                                                  | 5109.37                 | 5509.17                 |                          |
|                                                                                                                                                   | <u>559440.80</u>        | <u>470322.43</u>        |                          |
| 2 Ready Mix Concrete:                                                                                                                             |                         |                         |                          |
| Sales - Value of RMC                                                                                                                              | 10131.79                |                         |                          |
| 40.9 Expenditure in Foreign Currency:                                                                                                             |                         |                         |                          |
| Consultancy Fee                                                                                                                                   | 146.72                  | 104.60                  |                          |
| Travel Expenses and Others                                                                                                                        | 448.48                  | 231.98                  |                          |
| Indian Premier League - Payments to foreign players / others                                                                                      | 0.00                    | 0.00                    |                          |
| 40.10 Details of Raw Materials consumed:                                                                                                          |                         |                         |                          |
| Quantity in Tonnes:-                                                                                                                              |                         |                         |                          |
| Limestone                                                                                                                                         | 11224598                | 9047191                 |                          |
| Gypsum                                                                                                                                            | 890938                  | 522685                  |                          |
| Others                                                                                                                                            | 3631350                 | 2224391                 |                          |
| Value:-                                                                                                                                           |                         |                         |                          |
| Limestone                                                                                                                                         | 38221.27                | 35517.16                |                          |
| Gypsum                                                                                                                                            | 10414.61                | 6532.94                 |                          |
| Others                                                                                                                                            | 35087.84                | 21191.15                |                          |
| Freight on Inter Unit Transfer of Clinker                                                                                                         | 5841.71                 | 5390.92                 |                          |
| Total                                                                                                                                             | <u>89565.43</u>         | <u>68632.17</u>         |                          |



|                                                                             | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| 40.11 Auditors Remuneration:                                                |                         |                         |                          |
| (a) Statutory Auditors:                                                     |                         |                         |                          |
| Audit fees                                                                  | 106.15                  | 80.00                   |                          |
| Tax Audit fees                                                              | 11.11                   | 20.05                   |                          |
| Fees for other services                                                     | 12.85                   | 17.37                   |                          |
| Expenses reimbursed                                                         | 18.29                   | 13.11                   |                          |
| (b) Cost Auditors:                                                          |                         |                         |                          |
| Audit Fees                                                                  | 17.15                   | 15.00                   |                          |
| Fees for other services                                                     | 0.00                    | 0.00                    |                          |
| Expenses reimbursed                                                         | 0.00                    | 0.00                    |                          |
| 40.12 Earnings Per Share:                                                   |                         |                         |                          |
| Profit / (Loss ) for the year                                               | 17335.02                | 12994.79                |                          |
| Other Comprehensive Income for the Year                                     | (547.11)                | 0.00                    |                          |
| Total Comprehensive Income for the year                                     | 16787.91                | 12994.79                |                          |
| Weighted average no. of ordinary shares for Basic & Diluted EPS             | 308153140               | 308153140               |                          |
| Basic and Diluted Earning per Ordinary Share on Profit and Loss             | 5.63                    | 4.22                    |                          |
| Basic and Diluted Earning per Ordinary Share on Other Comprehensive Income  | (0.18)                  | 0.00                    |                          |
| Basic and Diluted Earning per Ordinary Share on Total Comprehensive Income  | 5.45                    | 4.22                    |                          |
| 40.13 Related Party Disclosures:                                            |                         |                         |                          |
| Names of the related parties and the nature of the relationship:            |                         |                         |                          |
| (i) <b>Subsidiary Companies:</b>                                            |                         | % of Share Holding      |                          |
| Industrial Chemicals and Monomers Limited, India                            | 98.59                   | 98.59                   | 98.59                    |
| ICL Financial Services Limited, India                                       | 100.00                  | 100.00                  | 100.00                   |
| ICL Securities Limited, India                                               | 100.00                  | 100.00                  | 100.00                   |
| ICL International Limited, India                                            | 100.00                  | 100.00                  | 100.00                   |
| Coromandel Electric Company Limited (CECL), India                           | 58.57                   | 57.86                   | 68.57                    |
| India Cements Infrastructures Limited, India                                | 100.00                  | 100.00                  | 100.00                   |
| PT. Coromandel Minerals Resources, Indonesia                                | 100.00                  | 100.00                  | 100.00                   |
| Coromandel Minerals Pte. Limited, Singapore                                 | 100.00                  | 100.00                  | 100.00                   |
| Coromandel Travels Limited (CTL), India                                     | 98.50                   | 0.00                    | 0.00                     |
| (ii) <b>Associate Companies:</b>                                            |                         |                         |                          |
| Raasi Cement Limited, India                                                 | 28.94                   | 28.94                   | 28.94                    |
| Coromandel Sugars Limited, India                                            | 49.99                   | 49.99                   | 49.99                    |
| India Cements Capital Limited, India                                        | 47.91                   | 47.91                   | 47.91                    |
| Coromandel Travels Limited (CTL), India                                     | 0.00                    | 49.50                   | 49.50                    |
| (iii) <b>Post employment benefit plan trust:</b>                            |                         |                         |                          |
| India Cements Gratuity Fund                                                 |                         |                         |                          |
| The India Cements Employees Provident Fund, Chilamkur                       |                         |                         |                          |
| The India Cements Employees Provident Fund, Yerraguntla                     |                         |                         |                          |
| (iv) <b>Key Managerial Personnel [KMP]:</b>                                 |                         |                         |                          |
| Sri N.Srinivasan - Vice Chairman & Managing Director                        |                         |                         |                          |
| Smt.Rupa Gurunath - Whole Time Director                                     |                         |                         |                          |
| Sri G.Balakrishnan - Senior President & Company Secretary (upto 31.03.2016) |                         |                         |                          |
| Sri S.Sridharan - Sr. Vice President & Company Secretary (from 01.04.2016)  |                         |                         |                          |
| Sri R.Srinivasan - Executive President (Finance & Accounts)                 |                         |                         |                          |
| There are no other transactions with any other KMP                          |                         |                         |                          |
| (v) <b>Relative of KMP, having transactions with the Company:</b>           |                         |                         |                          |
| Smt.Chitra Srinivasan - Director                                            |                         |                         |                          |

|                                                                                                                                       | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| <b>(vi) Relative of a Director, having transactions with the Company:</b>                                                             |                         |                         |                          |
| Sri S.Anand - Sr. Deputy General Manager (Marketing) (Upto 17.06.2016)                                                                |                         |                         |                          |
| A. Transactions with Subsidiaries and Associate Companies during the year:                                                            |                         |                         |                          |
| <b>1. Redemption of Preference Shares</b>                                                                                             |                         |                         |                          |
| Coromandel Electric Company Limited                                                                                                   | 0.00                    | 40.00                   |                          |
| <b>2. Purchase of Shares of Coromandel Electric Company Ltd.</b>                                                                      |                         |                         |                          |
| ICL Financial Services Limited                                                                                                        | 0.00                    | 3.50                    |                          |
| <b>3. Allotment of Shares in</b>                                                                                                      |                         |                         |                          |
| Coromandel Minerals Pte. Ltd., Singapore                                                                                              | 6885.30                 | 0.00                    |                          |
| <b>4. Conversion of Debentures into Equity</b>                                                                                        |                         |                         |                          |
| Coromandel Travels Ltd.                                                                                                               | 6531.00                 | 0.00                    |                          |
| (65.31 Lakhs Unsecured Convertible Debentures of Rs.100/- each converted into 653.1 Lakhs Equity Shares of Rs.10/-each fully paid-up) |                         |                         |                          |
| <b>5. Sale of Goods</b>                                                                                                               |                         |                         |                          |
| India Cements Infrastructures Limited                                                                                                 | 46.94                   | 5.22                    |                          |
| Coromandel Sugars Limited                                                                                                             | 5.94                    | 1.44                    |                          |
|                                                                                                                                       | 52.88                   | 6.66                    |                          |
| <b>6. Purchase of Goods</b>                                                                                                           |                         |                         |                          |
| ICL International Limited                                                                                                             | 5.73                    | 8.06                    |                          |
| <b>7. Receiving of Services</b>                                                                                                       |                         |                         |                          |
| Coromandel Electric Company Limited                                                                                                   | 1282.62                 | 1806.57                 |                          |
| Coromandel Travels Limited                                                                                                            | 1238.89                 | 1485.37                 |                          |
| ICL International Limited                                                                                                             | 142.01                  | 132.72                  |                          |
| India Cements Capital Limited                                                                                                         | 259.11                  | 250.80                  |                          |
| India Cements Capital Limited -<br>(Travels Division - Coromandel Travels)                                                            | 3.95                    | 23.19                   |                          |
|                                                                                                                                       | 2926.58                 | 3698.65                 |                          |
| <b>8. Interest on Advances</b>                                                                                                        |                         |                         |                          |
| India Cements Capital Limited                                                                                                         | 214.56                  | 201.29                  |                          |
| ICL Financial Services Limited                                                                                                        | 0.00                    | 48.28                   |                          |
| ICL Securities Limited                                                                                                                | 0.00                    | 0.00                    |                          |
| India Cements Infrastructures Limited                                                                                                 | 370.77                  | 300.75                  |                          |
| Coromandel Sugars Limited                                                                                                             | 86.11                   | 6.61                    |                          |
| Pt. Coromandel Mineral Resources, Indonesia                                                                                           | 0.00                    | 21.39                   |                          |
| Coromandel Minerals Pte Limited, Singapore                                                                                            | 0.00                    | 570.57                  |                          |
|                                                                                                                                       | 671.44                  | 1148.89                 |                          |
| <b>9. Dividend received</b>                                                                                                           |                         |                         |                          |
| Coromandel Electric Company Limited                                                                                                   | 0.00                    | 5.94                    |                          |
| <b>10. Remuneration to KMP</b>                                                                                                        |                         |                         |                          |
| Sri N.Srinivasan – Vice Chairman & Managing Director                                                                                  | 1315.33                 | 887.14                  |                          |
| Smt.Rupa Gurunath - Whole Time Director                                                                                               | 441.75                  | 365.26                  |                          |
| Sri G.Balakrishnan – Senior President & Company Secretary                                                                             | 0.00                    | 132.19                  |                          |
| Sri R.Srinivasan – Executive President (Finance & Accounts)                                                                           | 43.02                   | 271.18                  |                          |
| Sri S.Sridharan - Sr. Vice President & Company Secretary                                                                              | 30.79                   | 0.00                    |                          |
|                                                                                                                                       | 1830.89                 | 1655.77                 |                          |
| Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:                                |                         |                         |                          |
| Short Term benefits                                                                                                                   | 1608.36                 | 1496.15                 |                          |
| Defined Contribution Plan                                                                                                             | 222.53                  | 159.63                  |                          |
| Defined Benefit Plan / Other Long-term Benefits                                                                                       | 0.00                    | 0.00                    |                          |
| Total                                                                                                                                 | 1830.89                 | 1655.77                 |                          |



|                                                                               | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|-------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| <b>11. Directors' Sitting Fee to relative of KMP</b>                          |                         |                         |                          |
| Smt.Chitra Srinivasan - Director                                              | 1.00                    | 1.40                    |                          |
| <b>12. Dividends paid to KMP</b>                                              |                         |                         |                          |
| Sri N.Srinivasan - Vice Chairman & Managing Director                          | 6.34                    | 0.00                    |                          |
| Smt.Rupa Gurunath - Whole Time Director                                       | 0.36                    | 0.00                    |                          |
| Smt.Chitra Srinivasan - Director                                              | 0.79                    | 0.00                    |                          |
| Sri R.Srinivasan - Executive President (Finance & Accounts)                   | 0.25                    | 0.00                    |                          |
| Sri S.Sridharan - Sr. Vice President & Company Secretary<br>(from 01.04.2016) | 0.13                    | 0.00                    |                          |
| <b>13. Receiving of Services-Relative of a Director</b>                       |                         |                         |                          |
| Sri S.Anand - Sr. Deputy General Manager (Marketing)                          | 0.00                    | 26.23                   |                          |
| <b>14. Contributions to Post employment benefit plan trust:</b>               |                         |                         |                          |
| India Cements Gratuity Fund                                                   | 1830.41                 | 870.71                  |                          |
| The India Cements Employees Provident Fund, Chilamkur                         | 63.67                   | 61.99                   |                          |
| The India Cements Employees Provident Fund, Yerraguntla                       | 37.62                   | 34.74                   |                          |
| <b>B. (i) Outstanding Balances as at the year end</b>                         |                         |                         |                          |
| <b>1. Loans and Advances:</b>                                                 |                         |                         |                          |
| ICL Securities Limited *                                                      | (1996.38)               | 0.21                    | 0.01                     |
| ICL Financial Services Limited *                                              | 3634.99                 | 3523.94                 | 269.89                   |
| ICL International Limited *                                                   | 0.00                    | 0.00                    | 60.09                    |
| India Cements Infrastructures Limited                                         | 4610.35                 | 3531.81                 | 2881.15                  |
| Coromandel Sugars Limited                                                     | 5206.14                 | 124.17                  | 33.21                    |
| India Cements Capital Limited                                                 | 338.82                  | 2383.51                 | 2257.13                  |
| PT. Coromandel Mineral Resources Indonesia **                                 | 259.04                  | 259.04                  | 237.66                   |
| Coromandel Minerals Pte. Limited Singapore<br>(Adv. For Equity)               | 1049.43                 | 6916.24                 | 6034.17                  |
| <b>2. Deposit:</b>                                                            |                         |                         |                          |
| Industrial Chemicals and Monomers Limited **<br>(Rental Deposit)              | 1508.08                 | 1480.83                 | 1451.42                  |
| Coromandel Travels Limited (Deposit)                                          | 6500.00                 | 6500.00                 | 6000.00                  |
|                                                                               | <u>21110.48</u>         | <u>24719.76</u>         | <u>19224.73</u>          |
| <b>3. Receivables / Payables:</b>                                             |                         |                         |                          |
| ICL International Limited                                                     | 361.63                  | 176.76                  | 60.09                    |
| Coromandel Electric Company Limited                                           | (2449.16)               | 526.61                  | 614.81                   |
| Coromandel Travels Limited                                                    | 1208.25                 | (131.83)                | 205.65                   |
| <b>4. Outstanding balances in Post employment benefit plan trust:</b>         |                         |                         |                          |
| India Cements Gratuity Fund                                                   | (6654.12)               | (5403.12)               | (4788.55)                |
| The India Cements Employees Provident Fund, Chilamkur                         | (24.94)                 | (24.44)                 | (23.58)                  |
| The India Cements Employees Provident Fund, Yerraguntla                       | (13.25)                 | (11.82)                 | (11.93)                  |
| <b>(ii) Maximum balance during the year:</b>                                  |                         |                         |                          |
| ICL Securities Limited *                                                      | 0.21                    | 0.21                    | 12962.55                 |
| ICL Financial Services Limited *                                              | 5630.79                 | 3532.27                 | 53076.28                 |
| ICL International Limited *                                                   | 0.00                    | 0.00                    | 4486.15                  |
| India Cements Infrastructures Limited                                         | 4798.48                 | 3899.23                 | 2881.15                  |
| Coromandel Sugars Limited                                                     | 5206.14                 | 124.17                  | 3625.49                  |
| India Cements Capital Limited                                                 | 338.82                  | 2383.51                 | 2257.13                  |
| PT. Coromandel Mineral Resources Indonesia **                                 | 259.04                  | 259.04                  | 237.66                   |
| Coromandel Minerals Pte. Limited Singapore                                    | 7934.74                 | 6916.24                 | 6034.17                  |

|                                                | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|------------------------------------------------|-------------------------|-------------------------|--------------------------|
| (iii) Interest Rate:                           |                         |                         |                          |
| ICL Securities Limited *                       | 0                       | 9%                      | 0                        |
| ICL Financial Services Limited *               | 0                       | 9%                      | 0                        |
| ICL International Limited *                    | 0                       | 0                       | 0                        |
| India Cements Infrastructures Limited          | 9%                      | 9%                      | 9%                       |
| Coromandel Sugars Limited                      | 9%                      | 9%                      | 9%                       |
| India Cements Capital Limited                  | 9%                      | 9%                      | 9%                       |
| PT. Coromandel Mineral Resources, Indonesia ** | 0                       | 9%                      | 9%                       |
| Coromandel Minerals Pte. Limited, Singapore    | 0                       | 9%                      | 9%                       |

\* Loans \*\*Advances

Notes:-

- Loans to Employees as per Company's policy are not considered.
- None of the Loanees / Loanee Subsidiaries have per se made any investment in the shares of the Company. However, pursuant to the scheme of Amalgamation approved by the Honorable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited [Visaka]. As per the said Order 400 lakh shares of the Company have been allotted in aggregate, to the subsidiaries (199.54 lakh shares) and other loanees (200.46 lakh shares) in exchange for their shares of Visaka. The shares allotted to the subsidiaries are held in a Trust on their behalf.

C. Guarantee / Securities given to Group Companies

Guarantees Issued:

|                                       |          |          |         |
|---------------------------------------|----------|----------|---------|
| Coromandel Sugars Limited             | 19300.00 | 19300.00 | 9500.00 |
| Coromandel Travels Limited            | 9000.00  | 9000.00  | 9000.00 |
| India Cements Infrastructures Limited | 4000.00  | 4000.00  | 4000.00 |

40.14 Leases:

Operating Lease: Company as Lessee

The Company has entered into certain Non-Cancellable Operating Lease agreements

|                                                            |        |     |
|------------------------------------------------------------|--------|-----|
| Lease Rentals Charged during the year                      | 59.17  | Nil |
| Future Minimum lease payments under Non-Cancellable Leases |        |     |
| Not later than one year                                    | 197.34 | Nil |
| Later than One year and not later than 3 Years             | 328.90 | Nil |
| Later than 3 Years                                         | Nil    | Nil |

40.15 Disclosure pursuant to Ind AS-11 - Construction Contracts

|                                                                              |          |          |
|------------------------------------------------------------------------------|----------|----------|
| Amount of contract revenue recognised as revenue during the period           | 3690.42  | 1812.15  |
| Details regarding Contracts in progress:                                     |          |          |
| Aggregate amount of costs incurred & recognised profits (less recog. Losses) | 6104.71  | 6160.77  |
| Amount of customer advances outstanding for contracts in progress            | 585.26   | 1147.89  |
| Retention amount due from customers for contracts in progress                | 393.18   | 510.26   |
| Gross amount due from customers for contract works as an asset               | 1136.30  | 950.15   |
| Gross amount due to customers for contract works as a liability              | (142.67) | (212.92) |

40.16 I Movement in Provisions:

Trade Receivables

|                                                   |         |         |
|---------------------------------------------------|---------|---------|
| (a) Balance as on 01/04/2016                      | 1971.08 | 1774.38 |
| (b) Additional Provision made during the year     | 123.16  | 196.70  |
| (c) Provision reversed / utilised during the year | 0.00    | 0.00    |
| (d) Balance as on 31/03/2017                      | 2094.24 | 1971.08 |



31-Mar-2017  
Rs.Lakhs

31-Mar-2016  
Rs.Lakhs

01-Apr-2015  
Rs. Lakhs

II Distribution made and proposed (Ind AS 1)

Cash dividend on equity shares:

Final dividend for the year ended on March 31, 2017: Rs.1/- per share

(March 31, 2016: 3071.78 declared and paid)

DDT on final dividend

Total Dividend

**3081.52**

3071.78

0.00

**627.33**

624.13

0.00

**3708.85**

3695.91

0.00

Proposed Dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

40.17 I (a) Networth Reconciliation of IGAAP and Ind AS as on 01.04.2015

Break-up of Ind AS Translation Reserve (Ref. Note No. 2)

| Particulars                                                 | Rs. Lakhs        |
|-------------------------------------------------------------|------------------|
| Fair Valuation of Property Plant and Equipment              | 269667.56        |
| Less: Increase in Deferred Tax Liability - as on 01.04.2015 | (11214.70)       |
| Less: Provision for Mines Restoration Expenses              | (9500.00)        |
| Less: Provision for Expected Credit Losses                  | (37448.39)       |
| Less: Provision for Diminution in Value of Investments      | (1940.85)        |
| Less: Contingencies and Provisions                          | (3160.00)        |
| Less: Goodwill set off                                      | (1922.00)        |
| Less: Foreign Exchange Translation Reserve                  | (894.78)         |
| Ind AS Transition Reserve (as per Note no. 2)               | <b>203586.84</b> |

(b) Reconciliation of Net Profit between IGAAP and Ind AS

| Particulars                                                                                               | Rs. Lakhs       |
|-----------------------------------------------------------------------------------------------------------|-----------------|
| Net Profit as per IGAAP for the year ended 31-03-2016                                                     | 13781.27        |
| Less: Ind AS adjustments on account of translation of long term foreign currency borrowing & Depreciation | 786.48          |
| <b>Net Profit as per Ind AS for the year ended 31-03-2016</b>                                             | <b>12994.79</b> |

II Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to various risk including market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps that are entered into, to hedge foreign currency risk exposure.

31-Mar-2017  
Rs.Lakhs

31-Mar-2016  
Rs.Lakhs

01-Apr-2015  
Rs. Lakhs

A. Capital Management

Long Term Debt

**237965.60**

206023.71

236635.74

Less: Cash Equivalent

**677.53**

667.12

4768.39

Net Debt

**237288.07**

205356.59

231867.35

Total Equity

**510990.49**

498092.66

485437.35

Net Debt to Equity Ratio

**0.46**

0.41

0.48

B. Interest Rate Risk

Sensitivity Analysis

An increase of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments will increase / decrease PAT for the year by amount shown below:

Long Term interest bearing Borrowing

**189611.15**

166270.12

Interest incidence on above

**20668.00**

20136.55

Average Interest Rate

**10.90%**

12.11%

Impact of Increase in interest by 100 basis points

**(1895.73)**

(1662.70)

Impact of Decrease in interest by 100 basis points

**1896.49**

1662.70



|                                                                                                                         | 31-Mar-2017<br>Rs.Lakhs | 31-Mar-2016<br>Rs.Lakhs | 01-Apr-2015<br>Rs. Lakhs |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|
| C. Company's Foreign Currency Exposure:                                                                                 |                         |                         |                          |
| Hedged Foreign Currency                                                                                                 |                         |                         |                          |
| External Commercial Borrowing - USD 30 Million @ Rs.52.29 per USD<br>[Previous Year USD 40 Million @ Rs.52.29 per USD ] | 15687.00                | 20916.00                |                          |
| Trade Payable - USD 22.64 Million @ Rs.66.34 per USD<br>[Previous Year USD 19.86 Million @ Rs.67.40 Per USD ]           | 15019.21                | 13387.07                |                          |
| Unhedged Foreign Currency                                                                                               |                         |                         |                          |
| Trade Payable - USD 5.15 Million @ Rs.66.21 per USD<br>[Previous Year USD 1.92 Million @ Rs.66.26 Per USD ]             | 3411.19                 | 1272.94                 |                          |
| Trade Receivable - USD 2.64 Million @ Rs.66.71 per USD<br>[Previous Year USD 2.64 Million @ Rs.66.91 Per USD ]          | 1759.94                 | 938.30                  |                          |
| Sensitivity Analysis:                                                                                                   |                         |                         |                          |
| Foreign Currency Sensitivity on Unhedged Exposure:                                                                      |                         |                         |                          |
| 1% increase in foreign exchange rates will have the following impact on profit before tax                               |                         |                         |                          |
| US Dollars                                                                                                              | (34.11)                 | (12.73)                 |                          |
| Note: If the rate is decreased by 100 bps profit will increase by an equal amount.                                      |                         |                         |                          |
| D. Liquidity Risk:                                                                                                      |                         |                         |                          |
| Borrowings - Variable Interest Rate:                                                                                    |                         |                         |                          |
| Less than 1 Year                                                                                                        | 15745.18                | 46146.31                |                          |
| 1 to 5 Years                                                                                                            | 99787.14                | 153792.15               |                          |
| More than 5 Years                                                                                                       | 89824.02                | 0.00                    |                          |
|                                                                                                                         | <u>205356.34</u>        | <u>199938.47</u>        |                          |
| Borrowings - Fixed Interest Rate:                                                                                       |                         |                         |                          |
| Less than 1 Year                                                                                                        | 11853.80                | 9086.65                 |                          |
| 1 to 5 Years                                                                                                            | 13846.20                | 12806.33                |                          |
| More than 5 Years                                                                                                       | 0.00                    | 0.00                    |                          |
|                                                                                                                         | <u>25700.00</u>         | <u>21892.98</u>         |                          |
| Borrowings - Zero Interest Rate:                                                                                        |                         |                         |                          |
| Less than 1 Year                                                                                                        | 7087.18                 | 6869.22                 |                          |
| 1 to 5 Years                                                                                                            | 17386.32                | 16745.78                |                          |
| More than 5 Years                                                                                                       | 17121.95                | 23007.72                |                          |
|                                                                                                                         | <u>41595.45</u>         | <u>46622.72</u>         |                          |
| III 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

| Particulars                                              | Amortised Cost | FVTPL   | FVTOCI | Carrying Amount | Rs. Lakhs<br>Fair Value |
|----------------------------------------------------------|----------------|---------|--------|-----------------|-------------------------|
| <b>As at 31-03-2017</b>                                  |                |         |        |                 |                         |
| <b>Financial Assets</b>                                  |                |         |        |                 |                         |
| Other Investments (Other than Subsidiaries & Associates) | 1.27           | 7788.75 | 0.00   | 7790.03         | 7790.03                 |
| Loans and Advances                                       | 94760.60       | 0.00    | 0.00   | 94760.60        | 94760.60                |
| Trade Receivables                                        | 50888.03       | 0.00    | 0.00   | 50888.03        | 50888.03                |
| Cash and bank balances                                   | 677.53         | 0.00    | 0.00   | 677.53          | 677.53                  |
| Other Financial Assets                                   | 5792.62        | 0.00    | 0.00   | 5792.62         | 5792.62                 |
| <b>Financial Liabilities</b>                             |                |         |        |                 |                         |
| Borrowings                                               | 268142.73      | 0.00    | 0.00   | 268142.73       | 268142.73               |
| Trade Payables                                           | 131802.21      | 0.00    | 0.00   | 131802.21       | 131802.21               |
| Other Financial Liabilities                              | 60000.94       | 0.00    | 0.00   | 60000.94        | 60000.94                |



| Particulars                                              | Amortised Cost | FVTPL   | FVTOCI | Carrying Amount | Rs. Lakhs<br>Fair Value |
|----------------------------------------------------------|----------------|---------|--------|-----------------|-------------------------|
| <b>As at 31-03-2016</b>                                  |                |         |        |                 |                         |
| <b>Financial Assets</b>                                  |                |         |        |                 |                         |
| Other Investments (Other than Subsidiaries & Associates) | 1.27           | 7788.75 | 0.00   | 7790.03         | 7790.03                 |
| Loans and Advances                                       | 89867.87       | 0.00    | 0.00   | 89867.87        | 89867.87                |
| Trade Receivables                                        | 53586.96       | 0.00    | 0.00   | 53586.96        | 53586.96                |
| Cash and bank balances                                   | 667.12         | 0.00    | 0.00   | 667.12          | 667.12                  |
| Other Financial Assets                                   | 6050.72        | 0.00    | 0.00   | 6050.72         | 6050.72                 |
| <b>Financial Liabilities</b>                             |                |         |        |                 |                         |
| Borrowings                                               | 259063.64      | 0.00    | 0.00   | 259063.64       | 259063.64               |
| Trade Payables                                           | 103670.40      | 0.00    | 0.00   | 103670.40       | 103670.40               |
| Other Financial Liabilities                              | 90155.49       | 0.00    | 0.00   | 90155.49        | 90155.49                |
| <b>As at 01-04-2015</b>                                  |                |         |        |                 |                         |
| <b>Financial Assets</b>                                  |                |         |        |                 |                         |
| Other Investments (Other than Subsidiaries & Associates) | 1.27           | 7788.75 | 0.00   | 7790.03         | 7790.03                 |
| Loans and Advances                                       | 78236.89       | 0.00    | 0.00   | 78236.89        | 78236.89                |
| Trade Receivables                                        | 48508.19       | 0.00    | 0.00   | 48508.19        | 48508.19                |
| Cash and bank balances                                   | 4768.39        | 0.00    | 0.00   | 4768.39         | 4768.39                 |
| Other Financial Assets                                   | 7367.76        | 0.00    | 0.00   | 7367.76         | 7367.76                 |
| <b>Financial Liabilities</b>                             |                |         |        |                 |                         |
| Borrowings                                               | 292615.91      | 0.00    | 0.00   | 292615.91       | 292615.91               |
| Trade Payables                                           | 96122.21       | 0.00    | 0.00   | 96122.21        | 96122.21                |
| Other Financial Liabilities                              | 87905.96       | 0.00    | 0.00   | 87905.96        | 87905.96                |

#### 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:

| Particulars                                                     | Level 1 | Level 2 | Level 3 |
|-----------------------------------------------------------------|---------|---------|---------|
| <b>Financial Instruments at FVTPL</b>                           |         |         |         |
| <b>Investments in Listed equity securities and Mutual Funds</b> |         |         |         |
| As at 31-03-2017                                                | 0.00    | 0.00    | 0       |
| As at 31-03-2016                                                | 0.00    | 0.00    | 0       |
| As at 31-03-2015                                                | 477.32  | 0.00    | 0       |
| <b>Investments in Unlisted equity securities</b>                |         |         |         |
| As at 31-03-2017                                                | 0.00    | 0.00    | 0.00    |
| As at 31-03-2016                                                | 0.00    | 0.00    | 0.00    |
| As at 31-03-2015                                                | 0.00    | 7311.43 | 0.00    |

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   | Market Value        | Closing Price as at 31 <sup>st</sup> March in Stock Exchange                                        |
| Investment in Unlisted Securities | Market Approach     | Based on information provided and considering the availability of information in the public domain. |

**31-Mar-2017  
Rs.Lakhs**

31-Mar-2016  
Rs.Lakhs

01-Apr-2015  
Rs. Lakhs

**40.18 Disclosure on Specified Bank Notes:**

|                                       |              |
|---------------------------------------|--------------|
| Closing Cash in Hand as on 08/11/2016 | <b>49.52</b> |
| Add: Permitted receipts               | <b>0.00</b>  |
| Add: Non Permitted receipts           | <b>41.06</b> |
| Less: Permitted payments              | <b>0.08</b>  |
| Less: Non Permitted payments          | <b>14.29</b> |
| Less: Amount deposited in Banks       | <b>76.21</b> |
| Closing Cash in Hand as on 30/12/2016 | <b>0.00</b>  |

**40.19 Employee Benefits:**

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Ind AS 19 (previously AS15) issued by ICAI, are as under:

**(a) Contribution to Pension Funds:**

The Company offers pension plans for managerial grade employees and whole time Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @ 7.00% p.a., under the Defined Benefit Plans as at 31<sup>st</sup> March 2017, are Rs.6,436.55 Lakhs (as at 31<sup>st</sup> March 2016, are Rs.5,579.82 Lakhs) as per the details given below:

**Defined Benefit Scheme**

|                                                                        | <b>2016-17<br/>Rs.Lakhs</b>                                                      | 2015-16<br>Rs.Lakhs |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------|
| Opening Balance as per actuarial valuation                             | <b>5,579.82</b>                                                                  | 5,741.77            |
| Less: Settlements during the year                                      | <b>1,089.62</b>                                                                  | 1,776.04            |
| Sub-total                                                              | <b>4,490.20</b>                                                                  | 3,965.73            |
| Add: Provision created during the year                                 | <b>1,946.35</b>                                                                  | 1,614.09            |
| Closing Balance as on 31 <sup>st</sup> March                           | <b>6,436.55</b>                                                                  | 5,579.82            |
| Assumptions:                                                           |                                                                                  |                     |
| Discount rate                                                          | <b>7.00%</b>                                                                     | 7.75%               |
| Salary escalation rate                                                 | <b>2.00%</b>                                                                     | 2.00%               |
| Average Age                                                            | <b>51.68 yrs.</b>                                                                | 51.32 yrs.          |
| Average accrued service                                                | <b>21.33 yrs.</b>                                                                | 20.48 yrs.          |
| Actuarial Valuation differences included in Other Comprehensive Income | <b>(18.91)</b>                                                                   |                     |
| Annuity rates for pension computation                                  | Rates applicable for 15 years certain and life thereafter, with return of corpus |                     |
| Amount charged to the Statement of Profit & Loss during the year       | <b>374.49</b>                                                                    | 443.70              |

**(b) Leave of absence and encashment:**

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Ind AS19 (Accounting Standard 15). The total amount of provision available for the unavailed leave balances as at 31<sup>st</sup> March 2017 is Rs.8,109.80 Lakhs (as at 31<sup>st</sup> March 2016: Rs.6,595.33 Lakhs). Liability has been created based on actuarial valuation done during the year, with the Discount rate of 7.00%. Actuarial Valuation differences included in Other Comprehensive Income Rs.697.69 Lakhs.

**(c) Gratuity:**

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of Contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.



|                                                                        | Mar-16 to Mar-17 | 1-Apr-15 to Mar-16 |
|------------------------------------------------------------------------|------------------|--------------------|
|                                                                        | Rs.Lakhs         | Rs.Lakhs           |
| Opening Balance as per actuarial valuation                             | 6248.62          | 5936.27            |
| Add: Interest income during the year                                   | 54.55            | 88.07              |
| Less: Settlements during the year                                      | 862.42           | 646.43             |
| Sub Total                                                              | 5440.75          | 5377.91            |
| Add: Provisions created during the year                                | 1830.41          | 870.71             |
| Closing balance as on 31 <sup>st</sup> March                           | 7271.16          | 6248.62            |
| Assumptions:                                                           |                  |                    |
| Discount rate                                                          | 7.00% P.a        | 7.75% P.a          |
| Salary escalation rate                                                 | 2.00% P.a        | 2.00% P.a          |
| Average Age                                                            | 46.19 yrs.       | 45.07 yrs.         |
| Average accrued service                                                | 18.51 yrs.       | 17.02 yrs.         |
| Actuarial Valuation differences included in Other Comprehensive Income | 157.87           |                    |

#### 40.20 Note on Waste Heat Recovery Project:

The Company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

#### 40.21 The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited (amalgamating companies) with the Company effective 1<sup>st</sup> January 2014 (Appointed Date) under Sections 391 to 394 of the Companies Act, 1956.

The Honorable National Company Law Tribunal (NCLT), Division Bench Chennai, vide its orders dated April 13, 2017 and April 20, 2017 sanctioned the Scheme of Amalgamation and Arrangement between Trinetra Cement Limited (First Transferor Company) and Trishul Concrete Products Limited (Second Transferor Company) collectively called Amalgamating Companies with the Company (transferee Company) subject to the directions given by the Honorable High Court of Madras on 31.01.2017 in C.A. number 617 to 621 of 2016 in C.P. Number 171 of 2015, which stipulates that one of the Amalgamating Companies viz., Trinetra Cement Limited shall exist till the happening of certain events envisaged therein. Consequently the financials for the year include those of the amalgamating Companies.

Reconciliation of Opening Balance of P & L pursuant to Amalgamation:

| Particulars                                                                         | Rs.in Lakhs     |
|-------------------------------------------------------------------------------------|-----------------|
| Balance in P & L as on 31/03/2014 before Amalgamation                               | 79750.33        |
| Profit / (Loss) erasing out of Amalgamating Companies from 01/01/2014 to 31/03/2014 | (1281.63)       |
| <b>Balance in P &amp; L as on 31/03/2014 post Amalgamation</b>                      | <b>78468.70</b> |

The Company has applied Purchase method of accounting for effecting the amalgamation. The company has sought approval from Stock Exchanges / SEBI for issue of Equity Shares to the shareholders of the amalgamating companies. Pending receipt of the said approval, the amount has been shown under share suspense account.

The goodwill / capital reserve arising on implementation of the scheme has been adjusted against the General Reserve as contained in the Scheme.

#### 40.22 Previous year's figures have been regrouped wherever necessary.

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA

Partner

Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
Managing Director

R.SRINIVASAN  
Executive President  
(Finance & Accounts)

RUPA GURUNATH  
Wholtime Director

S.SRIDHARAN  
Company Secretary

CHITRA SRINIVASAN  
N.R.KRISHNAN

RABINARAYAN PANDA

S.BALASUBRAMANIAN ADITYAN

K.BALAKRISHNAN

V. MANICKAM

N.SRINIVASAN

Directors

P.S. SUBRAMANIA IYER & CO.  
Chartered Accountants  
103, P.S. Sivaswamy Salai  
Mylapore  
Chennai - 600 004

BRAHMAYYA & CO.  
Chartered Accountants  
48, Masilamani Road  
Balaji Nagar, Royapettah  
Chennai - 600 014

## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

To the Members of The India Cements Limited

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of The India Cements Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and its associates (the holding company, its subsidiaries and its associates collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules issued there under.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on standalone or consolidated financial statements, as applicable, and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2017, and their consolidated financial performance (including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matter

- As explained in Note 40.2(g) to the Consolidated Ind AS Financial Statements relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of Competition Act, 2002 and imposing a penalty of Rs.187.48 crores on the Company. The company has filed an appeal before the Competition Appellate Tribunal, New Delhi and based on the legal advice the company believes that it has a good case and the matter is agitated by the company before the Competition Appellate Tribunal seeking a setting aside of the order passed by CCI, and accordingly no provision has been considered necessary by the Company in this regard.
- As explained in Note 40.5 to the Consolidated Ind AS Financial Statements, regarding the order of attachment issued under Prevention of Money laundering Act through which certain assets of the company amounting to Rs.120.34 crores have been attached vide provisional attachment Order dated 25th February 2015 which the company is disputing before legal forums. The company has been legally advised that it has strong grounds to defend its position. Pending the outcome of the proceedings the impact if any is not ascertainable at this stage. The attached assets includes Preference shares amounting to Rs.96.67 crores held by the company in Trinetra Cements Ltd (the transferor company) and to this extent the preference shares (including authorized capital) have not been cancelled as per the approved scheme. Pending the outcome of these proceedings, an obligation by way of dues to the transferor company is recognized in the Holding company.

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

### Other Matters

- The statements reflects the share of total assets of Rs.846.32 crores and net assets of Rs.107.98 crores as at March 31, 2017, total revenue of Rs.3.72 crores, net cash flows of Rs.0.07 crores and net loss of Rs.0.28 crores for the year ended on that date pertaining to four subsidiaries, as considered in these statements, which have been audited by P.S.Subramania Iyer & Co on whose reports Brahmayya & Co., has placed reliance for the purpose of this report. Further, P.S.Subramania Iyer & Co., did not audit the financial statements and other financial information of three subsidiaries included in these consolidated Ind AS financial statements, whose financial statements reflect total assets of

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Rs.326.77 crores and net assets of Rs.30.69 crores as at March 31, 2017, total revenue of Rs.99.17 crores (Including other income), net cash flows of 1.96 crores and net loss of Rs.11.13 crores for the year ended on that date have been audited by Brahmayya& Co., on whose reports P.S.Subramania Iyer & Co., has placed reliance for the purpose of this report.

- b. We did not audit the financial statements and other financial information of two overseas subsidiaries included in the consolidated Ind AS financial results, whose financial statements reflect total assets of Rs.167.10 crores and net assets of Rs.84.67 crores as at March 31, 2017, total revenues (including other income) of Rs.0.06 lakhs, net cash flows of Rs.0.14 crores and net loss of Rs.1.68 crores for the year ended on that date. The financial statements and other financial information of these subsidiaries have been prepared by management and furnished to us and our opinion on the consolidated Ind AS financial statements, in so far as it relates to aforesaid subsidiaries is solely based on the accounts prepared by the management. Our opinion is not modified in respect of this matter.
- c. The Consolidate Ind AS financial statements ( after giving effect to amalgamation of TCL and TCPL) includes total assets of Rs.1,250.99 crores and total revenue of Rs.599.95 crores and total loss of Rs.1.30 crores and other financial information of TCL (one of the transferor company) which have been audited by other auditor whose reports have been furnished to us by the Management, and our audit opinion on these consolidated financial statements, to the extent they pertain to the financial statements of TCL is solely based on the reports of the other auditor. Our opinion is not modified in respect of this matter
- d. In respect of the financial information pertaining to the associates considered in the consolidated Ind AS financial statements for the year ended March 31, 2017, whose financial statements reflect the Group's share of profits aggregating to Rs.1.01 crores for the year then ended on 31<sup>st</sup> March 2017 (net off adjustments on consolidation) are based on the unaudited financial statements prepared by the management and our report in so far as it relates to the amounts included in respect of the associates is based solely on the accounts prepared by the management. Our opinion is not modified in respect of this matter.
- e. Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the management.

#### Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report, based on our audit and on the consideration of reports of other auditors on standalone financial statements, and the other financial information of subsidiaries and associates as noted in the 'Other Matters' paragraph, we report to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Group so far as it appears from our examination of those books and the reports of other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of the subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India are disqualified as on 31 March 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company its subsidiaries associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' report of the Holding company, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the holding company's/ subsidiary companies incorporated in India, internal financial controls over financial reporting and as regards the associate companies where consolidation is based on financial statements prepared by management we express our inability to comment on the adequacy and operating effectiveness of 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 and based on the consideration of the reports on standalone financial statements, as also the other financial information of the subsidiaries, associate as noted in the 'Other Matters' paragraph:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 40.2 to the consolidated Ind AS financial statements.
  - ii. The Group 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 Holding Company, its subsidiary companies and its associate companies incorporated in India; and
  - iv. The requisite disclosures in the consolidated Ind AS financial statements for holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 have been provided with respect to holding company and subsidiaries incorporated in India. Based on audit procedures, reliance on management representation and reports of other auditors of subsidiaries incorporated in India as noted in the Other Matters paragraph, we report that the disclosures are in accordance with books of account and other records maintained by the Holding Company and subsidiaries incorporated in India and as produced to us by the management of the Holding Company - Refer Note 40.18 to the Consolidated Ind AS financial statements.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017



P.S. SUBRAMANIA IYER & CO.  
Chartered Accountants  
103, P.S. Sivaswamy Salai  
Mylapore  
Chennai - 600 004

BRAHMAYYA & CO.  
Chartered Accountants  
48, Masilamani Road  
Balaji Nagar, Royapettah  
Chennai - 600 014

## **Annexure - A to the Auditors' Report**

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of The India Cements Limited ("hereinafter referred to as "the Holding Company") and its subsidiaries, associates, which are companies incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company, its subsidiary companies, associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company, its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the 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. As regards the associate companies where consolidation is based on financial statements prepared by management we express our inability to comment on the adequacy and operating effectiveness of internal financial controls over financial reporting.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575



# CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2017

|                                           |          | Figures as at the end of<br>current reporting period<br>(31 <sup>st</sup> March 2017) |                   | Figures as at the end of<br>previous reporting period<br>(31 <sup>st</sup> March 2016) |                   | Figures as at the beginning<br>of the transition date<br>(1 <sup>st</sup> April 2015 opening) |                   |
|-------------------------------------------|----------|---------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------|-------------------|
|                                           | Note No. | Rs.Lakhs                                                                              | Rs.Lakhs          | Rs.Lakhs                                                                               | Rs.Lakhs          | Rs.Lakhs                                                                                      | Rs.Lakhs          |
| <b>ASSETS:</b>                            |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| 1. Non-Current Assets:                    |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| a) Property, Plant and Equipment          | 4        |                                                                                       | 721291.73         |                                                                                        | 743512.55         |                                                                                               | 763092.76         |
| b) Capital Work-in-Progress               | 4        |                                                                                       | 13425.46          |                                                                                        | 9877.88           |                                                                                               | 10776.11          |
| c) Investment Property                    |          |                                                                                       | -                 |                                                                                        | -                 |                                                                                               | -                 |
| d) Goodwill                               | 4        |                                                                                       | 2289.91           |                                                                                        | 2289.91           |                                                                                               | 2289.91           |
| e) Other Intangible assets                |          |                                                                                       | 2404.42           |                                                                                        | 2975.94           |                                                                                               | 3702.39           |
| f) Intangible Assets under development    |          |                                                                                       | -                 |                                                                                        | -                 |                                                                                               | -                 |
| g) Financial Assets:                      |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Investments                            | 5        | 35531.75                                                                              |                   | 35430.65                                                                               |                   | 35174.04                                                                                      |                   |
| ii. Trade Receivables                     |          | -                                                                                     |                   | -                                                                                      |                   | -                                                                                             |                   |
| iii. Loans                                | 6        | 90223.56                                                                              |                   | 82260.18                                                                               |                   | 76518.09                                                                                      |                   |
| iv. Other financial assets                | 7        | 5884.19                                                                               | 131639.50         | 6141.05                                                                                | 123831.88         | 7435.25                                                                                       | 119127.38         |
| h) Deferred Tax Assets                    |          |                                                                                       | -                 |                                                                                        | -                 |                                                                                               | -                 |
| i) Other Non-Current Assets               | 8        |                                                                                       | 28361.41          |                                                                                        | 28121.57          |                                                                                               | 21572.11          |
| Total Non-Current Assets                  |          |                                                                                       | 899412.43         |                                                                                        | 910609.73         |                                                                                               | 920560.66         |
| 2. Current Assets:                        |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| a) Inventories                            | 9        |                                                                                       | 77362.85          |                                                                                        | 62640.83          |                                                                                               | 64765.34          |
| b) Financial Assets:                      |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Investments                            | 10       | 254.69                                                                                |                   | 309.52                                                                                 |                   | 309.52                                                                                        |                   |
| ii. Trade Receivables                     | 11       | 52301.93                                                                              |                   | 56046.76                                                                               |                   | 50724.45                                                                                      |                   |
| iii. Cash and Cash Equivalents            | 12       | 3798.27                                                                               |                   | 3572.03                                                                                |                   | 4922.37                                                                                       |                   |
| iii. Bank balances other than (iii) above |          | -                                                                                     |                   | -                                                                                      |                   | -                                                                                             |                   |
| iv. Loans                                 | 13       | 5856.16                                                                               |                   | 4884.35                                                                                |                   | 3495.09                                                                                       |                   |
| v. Other financial assets                 |          | -                                                                                     | 62211.05          | -                                                                                      | 64812.66          | -                                                                                             | 59451.43          |
| c) Current Tax Assets (Net)               | 14       |                                                                                       | 13948.40          |                                                                                        | 7605.02           |                                                                                               | 10324.61          |
| d) Other Current Assets                   | 15       |                                                                                       | 40536.76          |                                                                                        | 23484.33          |                                                                                               | 28180.28          |
| Total Current Assets                      |          |                                                                                       | 194059.06         |                                                                                        | 158542.84         |                                                                                               | 162721.66         |
| <b>TOTAL ASSETS</b>                       |          |                                                                                       | <b>1093471.49</b> |                                                                                        | <b>1069152.57</b> |                                                                                               | <b>1083282.32</b> |
| <b>EQUITY AND LIABILITIES</b>             |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| 1. Equity:                                |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| (a) Equity Share Capital                  | 16       |                                                                                       | 30815.27          |                                                                                        | 30815.27          |                                                                                               | 30815.27          |
| (b) Other Equity                          | 17       |                                                                                       | 486675.04         |                                                                                        | 474208.45         |                                                                                               | 462956.59         |
| Non-Controlling Interest                  |          |                                                                                       | 3557.77           |                                                                                        | 2655.70           |                                                                                               | 2431.07           |
| Total Equity                              |          |                                                                                       | 521048.08         |                                                                                        | 507679.42         |                                                                                               | 496202.93         |
| 2. Liabilities:                           |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| Non-Current Liabilities:                  |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| a) Financial Liabilities                  |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Borrowings                             | 18       | 245148.93                                                                             |                   | 212652.22                                                                              |                   | 250680.39                                                                                     |                   |
| ii. Trade Payables                        |          | -                                                                                     |                   | -                                                                                      |                   | -                                                                                             |                   |
| iii. Other Financial Liabilities          |          | -                                                                                     | 245148.93         | -                                                                                      | 212652.22         | -                                                                                             | 250680.39         |
| b) Provisions                             | 19       |                                                                                       | 16078.20          |                                                                                        | 16081.06          |                                                                                               | 15627.50          |
| c) Deferred Tax Liabilities (Net)         | 20       |                                                                                       | 66273.46          |                                                                                        | 57931.02          |                                                                                               | 57128.27          |
| d) Other Non-Current Liabilities          | 21       |                                                                                       | 2806.26           |                                                                                        | 8233.45           |                                                                                               | 9468.73           |
| Total Non-Current Liabilities             |          |                                                                                       | 330306.85         |                                                                                        | 294897.75         |                                                                                               | 332904.89         |
| 3. Current Liabilities:                   |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| a) Financial Liabilities                  |          |                                                                                       |                   |                                                                                        |                   |                                                                                               |                   |
| i. Borrowings                             | 22       | 35955.05                                                                              |                   | 55890.88                                                                               |                   | 56915.40                                                                                      |                   |
| ii. Trade Payables                        | 23       | 130204.89                                                                             |                   | 104883.36                                                                              |                   | 96585.85                                                                                      |                   |
| iii. Other Financial Liabilities          | 24       | 66000.92                                                                              | 232160.86         | 95104.55                                                                               | 255878.79         | 92010.24                                                                                      | 245511.49         |
| b) Provisions                             | 25       |                                                                                       | 17.93             |                                                                                        | 16.72             |                                                                                               | 16.72             |
| c) Current Tax Liabilities (Net)          | 26       |                                                                                       | 2491.78           |                                                                                        | 2378.09           |                                                                                               | 2313.70           |
| d) Other Current Liabilities              | 27       |                                                                                       | 7445.99           |                                                                                        | 8301.80           |                                                                                               | 6332.59           |
| Total Current Liabilities                 |          |                                                                                       | 242116.56         |                                                                                        | 266575.40         |                                                                                               | 254174.50         |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |          |                                                                                       | <b>1093471.49</b> |                                                                                        | <b>1069152.57</b> |                                                                                               | <b>1083282.32</b> |

See accompanying Notes to the Financial Statements

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,

Chartered Accountants

V.SWAMINATHAN

Partner

Membership No. 22276

Place : Sankarnagar, Tirunelveli

Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,

Chartered Accountants

N.SRI KRISHNA

Partner

Membership No. 26575

N.SRINIVASAN

Vice Chairman &

Managing Director

R.SRINIVASAN

Executive President

(Finance & Accounts)

RUPA GURUNATH

Wholtime Director

S. SRIDHARAN

Company Secretary

CHITRA SRINIVASAN

N.R.KRISHNAN

RABINARAYAN PANDA

S.BALASUBRAMANIAN ADITYAN

K. BALAKRISHNAN

V. MANICKAM

N. SRINIVASAN

Directors

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

|                                                                                                                   | Note No. | Figures for the Current reporting period |                  | Figures for the Previous reporting period |                  |
|-------------------------------------------------------------------------------------------------------------------|----------|------------------------------------------|------------------|-------------------------------------------|------------------|
|                                                                                                                   |          | Apr-16 to Mar-17                         |                  | Apr-15 to Mar-16                          |                  |
|                                                                                                                   |          | Rs.Lakhs                                 | Rs.Lakhs         | Rs.Lakhs                                  | Rs.Lakhs         |
| <b>INCOME:</b>                                                                                                    |          |                                          |                  |                                           |                  |
| Revenue from Operations                                                                                           | 28       |                                          | 586086.85        |                                           | 553475.39        |
| Other Income                                                                                                      | 29       |                                          | 1928.90          |                                           | 2469.25          |
| <b>Total Revenue</b>                                                                                              |          |                                          | <b>588015.75</b> |                                           | <b>555944.64</b> |
| <b>EXPENSES:</b>                                                                                                  |          |                                          |                  |                                           |                  |
| Cost of materials consumed                                                                                        | 30       |                                          | 93111.52         |                                           | 85879.78         |
| Purchases of stock-in-trade                                                                                       | 31       |                                          | 848.03           |                                           | 588.85           |
| Changes in inventories of finished goods work-in-progress                                                         | 32       |                                          | (1812.43)        |                                           | (912.86)         |
| Employee benefits expense                                                                                         | 33       |                                          | 38212.93         |                                           | 37171.27         |
| Finance costs                                                                                                     | 34       |                                          | 37996.74         |                                           | 43958.65         |
| Depreciation and Amortisation Expense                                                                             | 4        |                                          | 27601.14         |                                           | 29052.97         |
| <b>Other expenses:</b>                                                                                            |          |                                          |                  |                                           |                  |
| Manufacturing and other Operating Expenses                                                                        | 35       | 194480.23                                |                  | 188501.87                                 |                  |
| Administration and Other Charges                                                                                  | 36       | 14778.08                                 |                  | 14333.25                                  |                  |
| Selling and Distribution Expenses                                                                                 | 37       | 156544.80                                |                  | 139392.17                                 |                  |
| Donations                                                                                                         | 38       | 1100.05                                  | 366903.16        | 1286.17                                   | 343513.46        |
| <b>Total Expenses</b>                                                                                             |          |                                          | <b>562861.09</b> |                                           | <b>539252.12</b> |
| Profit / (Loss) before extraordinary items and tax                                                                |          |                                          | 25154.66         |                                           | 16692.52         |
| Exceptional Items / Prior Period Items                                                                            |          |                                          | -                |                                           | 319.54           |
| <b>Profit / (Loss) before tax</b>                                                                                 |          |                                          | <b>25154.66</b>  |                                           | <b>16372.98</b>  |
| <b>Tax expense:</b>                                                                                               |          |                                          |                  |                                           |                  |
| Current Tax                                                                                                       |          | 5743.23                                  |                  | 6355.89                                   |                  |
| Less : MAT Credit Entitlement                                                                                     |          | (4975.04)                                |                  | (2408.95)                                 |                  |
| Deferred Tax                                                                                                      |          | 8631.98                                  | 9400.17          | 795.26                                    | 4742.20          |
| Profit / (Loss) for the year from Continuing Operations                                                           |          |                                          | 15754.49         |                                           | 11630.78         |
| Profit / (Loss) from discontinued Operations                                                                      |          |                                          | -                |                                           | -                |
| Tax Expense of Discontinued Operations                                                                            |          |                                          | -                |                                           | -                |
| Profit / (Loss) from discontinued Operations after tax                                                            |          |                                          | -                |                                           | -                |
| Profit / (Loss) for the year                                                                                      |          |                                          | 15754.49         |                                           | 11630.78         |
| <b>Proportionate Profit / [Loss] of Associate Companies:</b>                                                      |          |                                          |                  |                                           |                  |
| Share of Profit of Associates                                                                                     |          |                                          | 100.70           |                                           | 257.10           |
| Minority Interest                                                                                                 |          |                                          | (752.53)         |                                           | (218.54)         |
| <b>Other Comprehensive Income:</b>                                                                                |          |                                          |                  |                                           |                  |
| Items that will not be classified into Profit or Loss                                                             |          | 1751.63                                  |                  | (222.63)                                  |                  |
| Income tax relating to Items that will not be classified into Profit or Loss                                      |          | -                                        |                  | -                                         |                  |
| Items that will be classified into Profit or Loss                                                                 |          | (836.66)                                 |                  | -                                         |                  |
| Income tax relating to Items that will be classified into Profit or Loss                                          |          | 289.55                                   |                  | -                                         |                  |
| <b>Other Comprehensive Income for the year- Total</b>                                                             |          |                                          | <b>1204.52</b>   |                                           | <b>(222.63)</b>  |
| <b>Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income)</b>        |          |                                          | <b>16307.18</b>  |                                           | <b>11446.71</b>  |
| <b>Earnings per Share for continuing operations: (face value of Rs.10/- per equity share):</b>                    |          |                                          |                  |                                           |                  |
| Basic (Rs.)                                                                                                       |          |                                          | 5.29             |                                           | 3.73             |
| Diluted (Rs.)                                                                                                     |          |                                          | 5.29             |                                           | 3.73             |
| <b>Earnings per Share for discontinued operations: (face value of Rs.10/- per equity share):</b>                  |          |                                          |                  |                                           |                  |
| Basic (Rs.)                                                                                                       |          |                                          | -                |                                           | -                |
| Diluted (Rs.)                                                                                                     |          |                                          | -                |                                           | -                |
| <b>Earnings per Share for continuing &amp; discontinued operations: (face value of Rs.10/- per equity share):</b> |          |                                          |                  |                                           |                  |
| Basic (Rs.)                                                                                                       |          |                                          | 5.29             |                                           | 3.73             |
| Diluted (Rs.)                                                                                                     |          |                                          | 5.29             |                                           | 3.73             |

As per our report of 27<sup>th</sup> May 2017

|                                                         |                                               |                                                      |                                     |                                                |                                |
|---------------------------------------------------------|-----------------------------------------------|------------------------------------------------------|-------------------------------------|------------------------------------------------|--------------------------------|
| For P.S.SUBRAMANIA IYER & CO.,<br>Chartered Accountants | For BRAHMAYYA & CO.,<br>Chartered Accountants | N.SRINIVASAN<br>Vice Chairman &<br>Managing Director | RUPA GURUNATH<br>Wholetime Director | CHITRA SRINIVASAN<br>N.R.KRISHNAN              | K. BALAKRISHNAN<br>V. MANICKAM |
| V.SWAMINATHAN<br>Partner                                | N.SRI KRISHNA<br>Partner                      | R.SRINIVASAN<br>Executive President                  | S. SRIDHARAN<br>Company Secretary   | RABINARAYAN PANDA<br>S.BALASUBRAMANIAN ADITYAN | N. SRINIVASAN                  |
| Membership No. 22276                                    | Membership No. 26575                          | (Finance & Accounts)                                 |                                     |                                                | Directors                      |

Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

### A. EQUITY SHARE CAPITAL (Refer Note No. 16)

(Rs. in Lakhs)

|                                                                  |          |
|------------------------------------------------------------------|----------|
| Balance as at April 1, 2015                                      |          |
| Paid up Equity Share Capital                                     | 30717.83 |
| Share Suspense Account (Please Refer Note No.16 on amalgamation) | 97.44    |
| Total as at April 1, 2015                                        | 30815.27 |
| Changes in Equity Share Capital during the year                  | 0.00     |
| Balance as at March 31, 2016                                     | 30815.27 |
| Changes in Equity Share Capital during the year                  | 0.00     |
| Balance as at March 31, 2017                                     | 30815.27 |

### B. OTHER EQUITY (Refer Note No 17)

(Rs. in Lakhs)

|                                                                                       | Capital Reserve | Capital Redemption Reserve | Securities Premium | Debenture Redemption Reserve | Deferred Income | Shipping Tonnage Tax Reserve | Ind AS Transition Reserve | General Reserve | Surplus in Profit and Loss | Other Comprehensive income | Total            |
|---------------------------------------------------------------------------------------|-----------------|----------------------------|--------------------|------------------------------|-----------------|------------------------------|---------------------------|-----------------|----------------------------|----------------------------|------------------|
| <b>Balance as at April 1, 2015</b>                                                    | 16.17           | 3428.89                    | 147670.92          | 48.00                        | 2702.27         | 90.00                        | 233459.26                 | 20533.63        | 55007.45                   | 0.00                       | 462956.59        |
| Add: Profit for the year                                                              | 0.00            | -                          | -                  | -                            | -               | -                            | -                         | -               | 11669.34                   | -                          | 11669.34         |
| Add: Remeasurement of defined benefit plans transferred to Other Comprehensive Income | 0.00            | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | -                          | 0.00             |
| Add : Gain from translating the financial statements of a foreign operation           | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | -222.63                    | -222.63          |
| Add: Additions during the year                                                        | 0.00            | 40.00                      | 0.02               | -                            | -               | -                            | -                         | 4103.71         | -                          | -                          | 4143.73          |
| Less: Transfer During the period                                                      | 0.00            | 16.86                      | -                  | -                            | 192.97          | -                            | -                         | 43.70           | -                          | -                          | 253.53           |
| Add / (Less) : Transfers to General Reserve                                           | 0.00            | -                          | -                  | -                            | -               | -                            | -                         | -               | -4083.15                   | -                          | -4083.15         |
| Less: Dividends                                                                       | 0.00            | -                          | -                  | -                            | -               | -                            | -                         | -               | 1.88                       | -                          | 1.88             |
| <b>Balance as at March 31, 2016</b>                                                   | <b>16.17</b>    | <b>3452.03</b>             | <b>147670.94</b>   | <b>48.00</b>                 | <b>2509.30</b>  | <b>90.00</b>                 | <b>233459.26</b>          | <b>24593.64</b> | <b>62591.76</b>            | <b>-222.63</b>             | <b>474208.47</b> |
| Add: Profit for the year                                                              | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | 15102.66                   | -                          | 15102.66         |
| Add: Remeasurement of defined benefit plans transferred to Other Comprehensive Income | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | -547.11                    | -547.11          |
| Add : Gain from translating the financial statements of a foreign operation           | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -                          | 1751.63                    | 1751.63          |
| Add: Additions during the year                                                        | -               | -                          | -                  | 0.00                         | -               | -                            | -                         | 6350.03         | -                          | -                          | 6350.03          |
| Less: Transfer during the period                                                      | -               | -                          | -                  | -                            | 192.96          | -                            | 150.08                    | 145.01          | -                          | -                          | 488.05           |
| Add: / (Less) : Transfers to General Reserve                                          | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | -6204.99                   | -                          | -6204.99         |
| Less: Dividends                                                                       | -               | -                          | -                  | -                            | -               | -                            | -                         | -               | 3497.58                    | -                          | 3497.58          |
| <b>Balance as at March 31, 2017</b>                                                   | <b>16.17</b>    | <b>3452.03</b>             | <b>147670.94</b>   | <b>48.00</b>                 | <b>2316.34</b>  | <b>90.00</b>                 | <b>233309.18</b>          | <b>30798.66</b> | <b>67991.85</b>            | <b>981.89</b>              | <b>486675.06</b> |

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants  
V.SWAMINATHAN  
Partner  
Membership No. 22276  
Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants  
N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman &  
Managing Director  
R.SRINIVASAN  
Executive President  
(Finance & Accounts)

RUPA GURUNATH  
Wholetime Director  
S.SRIDHARAN  
Company Secretary

CHITRA SRINIVASAN  
N.R.KRISHNAN  
RABINARAYAN PANDA  
S.BALASUBRAMANIAN ADITYAN

K.BALAKRISHNAN  
V. MANICKAM  
N.SRINIVASAN  
Directors

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

|                                                                          | Apr-16 to Mar-17  |                   | Apr-15 to Mar-16 |            |
|--------------------------------------------------------------------------|-------------------|-------------------|------------------|------------|
|                                                                          | Rs.Lakhs          | Rs.Lakhs          | Rs.Lakhs         | Rs.Lakhs   |
| <b>A. Cash flow from operating activities:</b>                           |                   |                   |                  |            |
| Net profit / (loss) before exceptional items, tax & extra-ordinary items |                   | <b>25154.66</b>   |                  | 16692.52   |
| Exceptional Items                                                        |                   | <b>1204.52</b>    |                  | (319.54)   |
| Net profit / (loss) before tax and extra-ordinary items                  |                   | <b>26359.18</b>   |                  | 16372.98   |
| Adjusted for :                                                           |                   |                   |                  |            |
| Depreciation                                                             | <b>27601.14</b>   |                   | 29052.97         |            |
| Provision for Doubtful Debts & Advances                                  | <b>493.26</b>     |                   | 574.27           |            |
| Foreign Exchange                                                         | <b>164.24</b>     |                   | 1668.87          |            |
| Profit on sale of Investments                                            | <b>(8.75)</b>     |                   | 0.00             |            |
| Profit / Loss on sale of Assets                                          | <b>(193.53)</b>   |                   | 58.32            |            |
| Interest Expense                                                         | <b>37384.21</b>   |                   | 47529.79         |            |
| Interest Income                                                          | <b>(866.83)</b>   |                   | (3893.36)        |            |
| Dividend Income                                                          | <b>0.00</b>       |                   | (1.12)           |            |
| Perquisite value of Employees' stock options                             | <b>0.00</b>       |                   | 0.00             |            |
| Deferred revenue expenditure / income                                    | <b>0.00</b>       | <b>64573.74</b>   | 219.64           | 75209.38   |
| Operating profit before Working Capital changes                          |                   | <b>90932.92</b>   |                  | 91582.36   |
| Trade and other receivables                                              | <b>(14249.10)</b> |                   | (1614.96)        |            |
| Inventories                                                              | <b>(14722.02)</b> |                   | 971.37           |            |
| Trade payables                                                           | <b>20687.35</b>   | <b>(8283.77)</b>  | 6528.77          | 5885.18    |
| Cash generated from operations                                           |                   | <b>82649.15</b>   |                  | 97467.54   |
| Direct Taxes                                                             |                   | <b>(6997.87)</b>  |                  | (1102.21)  |
| Cash flow before extra-ordinary items                                    |                   | <b>75651.28</b>   |                  | 96365.33   |
| Extra-ordinary items                                                     |                   | <b>0.00</b>       |                  | 0.00       |
| Net cash from operating activities (A)                                   |                   | <b>75651.28</b>   |                  | 96365.33   |
| <b>B. Cash flow from Investing activities:</b>                           |                   |                   |                  |            |
| Purchase of Fixed Assets                                                 |                   | <b>(9786.58)</b>  |                  | (16804.71) |
| Sale of Fixed Assets                                                     |                   | <b>1308.88</b>    |                  | 69.11      |
| Sale of Investments                                                      |                   | <b>63.98</b>      |                  | 0.49       |
| Purchase of Investments                                                  |                   | <b>0.00</b>       |                  | 0.00       |
| Interest received                                                        |                   | <b>866.83</b>     |                  | (1798.11)  |
| Dividend received                                                        |                   | <b>0.00</b>       |                  | 1.12       |
| Refund by / advances to subsidiaries, Associates and others              |                   | <b>(7998.57)</b>  |                  | (3472.26)  |
| Net cash from Investing activities (B)                                   |                   | <b>(15545.46)</b> |                  | (22004.36) |

# **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017 (Contd.)**

|                                                           | Apr-16 to Mar-17  | Apr-15 to Mar-16  |
|-----------------------------------------------------------|-------------------|-------------------|
|                                                           | Rs.Lakhs          | Rs.Lakhs          |
| <b>C. Cash flow from financing activities :</b>           |                   |                   |
| Proceeds from issue of share capital                      | 0.00              | 0.00              |
| Dividend paid                                             | (3501.47)         | (29.55)           |
| Proceeds from long term borrowings                        | 176400.34         | 37483.13          |
| Repayment of borrowings                                   | (195762.15)       | (63199.90)        |
| Interest paid (net)                                       | (37016.30)        | (49964.99)        |
| Net cash from financing activities (C)                    | <u>(59879.58)</u> | <u>(75711.31)</u> |
| Increase / (Decrease) in cash and cash equivalent (A+B+C) | 226.24            | (1350.34)         |
| Cash and cash equivalent at the beginning of the year     | 3572.03           | 4922.37           |
| Cash and cash equivalent at the close of the year         | 3798.27           | 3572.03           |

As per our report of 27th May 2017

|                                                                                                                                                                                      |                                                                                                   |                                                                                                                     |                                                                         |                                                                                     |                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|
| For P.S.SUBRAMANIA IYER & CO.,<br>Chartered Accountants<br>V.SWAMINATHAN<br>Partner<br>Membership No. 22276<br>Place : Sankarnagar, Tirunelveli<br>Date : 27 <sup>th</sup> May, 2017 | For BRAHMAYYA & CO.,<br>Chartered Accountants<br>N.SRI KRISHNA<br>Partner<br>Membership No. 26575 | N.SRINIVASAN<br>Vice Chairman &<br>Managing Director<br>R.SRINIVASAN<br>Executive President<br>(Finance & Accounts) | RUPA GURUNATH<br>Wholetime Director<br>S.SRIDHARAN<br>Company Secretary | CHITRA SRINIVASAN<br>N.R.KRISHNAN<br>RABINARAYAN PANDA<br>S.BALASUBRAMANIAN ADITYAN | K.BALAKRISHNAN<br>V. MANICKAM<br>N.SRINIVASAN<br>Directors |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|

| Name of the Entity in the Group                | Net Assets, i.e.,<br>Total Assets minus Liabilities |                         | Share in<br>Profit or Loss                |                         | Share in<br>Other Comprehensive Income                     |                         | Share in Total<br>Other Comprehensive Income |                         |
|------------------------------------------------|-----------------------------------------------------|-------------------------|-------------------------------------------|-------------------------|------------------------------------------------------------|-------------------------|----------------------------------------------|-------------------------|
|                                                | As % of<br>Consolidated<br>Net Assets               | Amount<br>(Rs in Lakhs) | As % of<br>Consolidated<br>Profit or Loss | Amount<br>(Rs in Lakhs) | As % of<br>Consolidated<br>Other Compre-<br>hensive Income | Amount<br>(Rs in Lakhs) | As % of<br>Total<br>Comprehensive<br>Income  | Amount<br>(Rs in Lakhs) |
| The India Cements Ltd                          | 95.82                                               | 511382.86               | 102.00                                    | 26602.34                | -45.42                                                     | -547.11                 | 97.18                                        | 17180.26                |
| Subsidiaries                                   |                                                     |                         |                                           |                         |                                                            |                         |                                              |                         |
| Indian                                         |                                                     |                         |                                           |                         |                                                            |                         |                                              |                         |
| 1. Industrial Chemicals and Monomers Limited   | 2.69                                                | 14350.01                | -0.10                                     | -27.17                  | 0                                                          | 0                       | -0.15                                        | -27.17                  |
| 2. ICL Financial Services Limited              | -0.30                                               | -1612.91                | 0.37                                      | 97.59                   | 0                                                          | 0                       | 0.55                                         | 97.59                   |
| 3. ICL Securities Limited                      | 0.20                                                | 1084.55                 | 0.38                                      | 99.4                    | 0                                                          | 0                       | 0.56                                         | 99.4                    |
| 4. ICL International Limited                   | -0.57                                               | -3023.41                | -0.54                                     | -141.49                 | 0                                                          | 0                       | -0.8                                         | -141.59                 |
| 5. Coromandel Electric Company Limited         | 1.83                                                | 9783.98                 | 9.77                                      | 2549.29                 | 0                                                          | 0                       | 10.27                                        | 1816.44                 |
| 6. India Cements Infrastructures Limited       | -0.24                                               | -1283.26                | -3.54                                     | -923.7                  | 0                                                          | 0                       | -5.23                                        | -923.7                  |
| 7. Coromandel Travels Limited (CTL)            | -1.02                                               | -5431.85                | -7.69                                     | -2006.04                | 0                                                          | 0                       | -11.35                                       | -2006.04                |
| Foreign                                        |                                                     |                         |                                           |                         |                                                            |                         |                                              |                         |
| 1. Pt Coromandel Minerals Resources, Indonesia | -0.33                                               | -1756.50                | -0.63                                     | -164.72                 | 2.76                                                       | 33.2                    | -0.74                                        | -131.52                 |
| 2. Coromandel Minerals Pte. Ltd, Singapore     | 1.92                                                | 10223.41                | -0.01                                     | -3.66                   | 142.67                                                     | 1718.43                 | 9.7                                          | 1714.77                 |
| Non Controlling Interest in all Subsidiaries   |                                                     |                         |                                           |                         |                                                            |                         |                                              | 3557.77                 |

As per our report of 27<sup>th</sup> May 2017

|                                                                                                                                                                                      |                                                                                                   |                                                                                                                     |                                                                         |                                                                                     |                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------|
| For P.S.SUBRAMANIA IYER & CO.,<br>Chartered Accountants<br>V.SWAMINATHAN<br>Partner<br>Membership No. 22276<br>Place : Sankarnagar, Tirunelveli<br>Date : 27 <sup>th</sup> May, 2017 | For BRAHMAYYA & CO.,<br>Chartered Accountants<br>N.SRI KRISHNA<br>Partner<br>Membership No. 26575 | N.SRINIVASAN<br>Vice Chairman &<br>Managing Director<br>R.SRINIVASAN<br>Executive President<br>(Finance & Accounts) | RUPA GURUNATH<br>Wholetime Director<br>S.SRIDHARAN<br>Company Secretary | CHITRA SRINIVASAN<br>N.R.KRISHNAN<br>RABINARAYAN PANDA<br>S.BALASUBRAMANIAN ADITYAN | K.BALAKRISHNAN<br>V. MANICKAM<br>N.SRINIVASAN |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------|

Directors

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

#### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements upto the year ended 31<sup>st</sup> March 2016 were prepared in accordance with the Accounting Standards Rules 2006 (as amended) and other relevant provisions of the Companies Act, 2013 (Indian GAAP).

The Ministry of Corporate Affairs (MCA) issued a Notification on 16<sup>th</sup> February, 2015, making Indian Accounting Standards, issued under Section 133 of Companies Act, 2013 mandatory for certain class of Companies.

As per the Notification, Ind AS is mandatory for the Company for the Financial year commencing 1<sup>st</sup> April 2016. Accordingly, the Company has adopted Ind AS from 1<sup>st</sup> April 2016 and the Financial Statements for the year ended 31<sup>st</sup> March 2017 have been prepared in accordance with the principles laid down in the said Ind AS.

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- (ii) Employee's Defined Benefit plan as per Actuarial valuation.
- (iii) Plant, Property and Equipment measured at fair value.

#### 2. FIRST TIME ADOPTION OF Ind AS

The Company has restated the financial statements as at 1<sup>st</sup> April 2015 (opening), being the transition date, on the following basis:

The amount of transition reserve (component of retained earnings) arising on the same is given below:

- a) All Tangible assets, including Property, Plant and Equipments, and Intangible assets were revalued as at the transition date and stated at fair values, resulting in reserve of Rs.286508.98 Lakhs.
- b) The restoration obligation of Limestone mines was assessed as at the transition date and provision has been created for Rs.9500.00 Lakhs.
- c) Investments have been assessed at fair values and provision for Rs. 1940.85 Lakhs has been created at the transition date. Investments have been assessed at fair values and provision has been created for the same at the transition date.
- d) Financial assets and liabilities were assessed for possible credit risks and provision has been created for expected credit losses as at the transition date amounting to Rs.24417.39 Lakhs.
- e) Exchange differences arising on Long term foreign currency loans, which were under Indian GAAP capitalised / accounted as Foreign currency Monetary Item Translation Reserve, as the case may be, are under Ind AS debited to Statement of Profit and Loss. The cumulative difference of Rs.894.78 Lakhs as at the transition date is charged to transition reserve.
- f) The balances in Revaluation Reserve account (Rs.30356.30 Lakhs credit) and Goodwill account (Rs.1922.00 Lakhs debit) are also transferred to transition reserve account.

- g) Contingencies & provisions have been re-assessed as at the transition date and accordingly created additional provision for Rs.3160.00 Lakhs debit.

- h) Deferred tax liability was reassessed as at the transition date based on Balance Sheet approach and created additional liability of Rs.11214.70 Lakhs.

Exemptions availed as per Ind AS 101:

- 1) Past Business Combination:

The Company has elected not to apply Ind AS 103-Business Combinations retrospectively to Past Business Combinations that occurred before the transition date of 01-Apr-2015, consequently, the Company has kept the same classification for the past business combinations as in its previous GAAP financial statements.

- 2) Property, Plant and Equipments:

The Company has elected to measure the PPE at Fair value on transition date.

- 3) Investments in Subsidiaries & Associates:

The Company has elected to carry its Investments in Subsidiaries & Associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

- 4) Sales Tax Deferment Loan:

The Company has elected to use the previous GAAP carrying amounts of Sales Tax Deferment Loan existing at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

- 5) Fair Value of Financial Assets and Liabilities:

As per the Ind AS exemption, the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

#### Note on Scheme of Amalgamation:

The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company effective 1<sup>st</sup> January 2014 (Appointed Date) under Sections 391 to 394 of the Companies Act, 1956. Honourable Madras High Court referred the petition to National Company Law Tribunal (NCLT). NCLT after hearing the arguments approved the scheme on 13<sup>th</sup> April, 2017 and 20<sup>th</sup> April, 2017 Accordingly the attached financials include the financials of the amalgamating companies.

The Company has sought approval from Stock Exchanges / SEBI for issue of Equity Shares to the shareholders of the amalgamating companies. Pending receipt of the said approval, the amount has been shown under share suspense account.

The goodwill / capital reserve arising on implementation of the scheme has been adjusted against Reserves as contained in the Scheme.

#### 3. SIGNIFICANT ITEMS OF ACCOUNTING POLICY

- 1 Use of estimates

The preparation of financial statements is in conformity with generally accepted Indian Accounting Standards (Ind AS) principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during



## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

- the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
- 2 Inventories
- (a) Valuation of Inventories of raw materials, stores, spares, fuels, semi-finished goods and finished goods is done at weighted average cost.
- (b) Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.
- 3 Cash and Cash equivalents
- Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short term investment with an original maturity of three months or less.
- 4 Property, Plant and Equipments
- Property, Plant and Equipments (PPE) were revalued as at Ind AS transition date, 1<sup>st</sup> April 2015 and stated at fair values. Property, Plant and Equipments (PPE) acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the life of the agreement. Depreciation is provided over the remaining useful lives of the assets, as per Schedule II of the Companies Act, 2013. Capital Work in Progress of all the cement manufacturing facilities are shown at cost of Acquisition. Software development costs are capitalised and depreciated along with computers on Straight Line method. (Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any) Material items such as Spare parts, Stand-by equipments and service equipments are classified as PPE when they meet the definition of PPE as specified in Ind AS 16.
- 5 Foreign Currency Transactions
- (a) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and liabilities, in Foreign currencies are translated at values prevailing as at the year end. Gains / Losses if any, arising therefrom are recognised in the Profit and Loss account.
- (b) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward exchange contracts are recognised in the Profit and Loss Account.
- 6 (a) Revenue Recognition on Sale of goods
- Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the value of the consideration received or receivable, net of returns and discounts.
- (b) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability, if any, and is net of rebates, discounts and incentives as ascertained by management as per market conditions.
- (c) Revenue from Construction and Infrastructure projects under property development division is recognised on percentage of completion method.
- (d) Revenue on time charter of ships is recognised on a proportionate basis.
- 7 Research and Development
- Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.
- 8 **Borrowing Costs**
- Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition/construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit and Loss account.
- 9 Claims / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted when there is certainty of Income accrual.
- 10 Investments:
- Investments are stated at fair values.
- 11 Employee Benefits:
- Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The Actuarial gains/losses arising on retirement benefits are also recognised in the Profit and Loss account. Unavailed leave balances are accounted based on respective employee's earnings as at the balance sheet date on actuarial basis.
- 12 Fringe Benefits arising on options vested under Employees Stock Options Scheme (ESOS), 2006 are charged to Profit and Loss Account and credited to Stock Options Reserve Account. On allotment of shares, corresponding amount is transferred from Stock Option Reserve to Securities Premium Account.
- 13 Tax Expense:
- (a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
- (b) Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.
- 14 Contingent Liabilities / Assets:
- Contingent liabilities and contingent assets are not recognised in the books of accounts. Provisions are made for the reliably estimated amount of present obligation to pay for the past events.

# **CONSOLIDATED ACCOUNTS**

## **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

### **NON-CURRENT ASSETS**

#### **4. PROPERTY, PLANT AND EQUIPMENT**

Rs Lakhs

| Particulars                                            | GROSS BLOCK                  |                  |                  |                              | DEPRECIATION BLOCK |                  |                              |                              | NET BLOCK            |                                              |                                   |                                              |                                |                                |
|--------------------------------------------------------|------------------------------|------------------|------------------|------------------------------|--------------------|------------------|------------------------------|------------------------------|----------------------|----------------------------------------------|-----------------------------------|----------------------------------------------|--------------------------------|--------------------------------|
|                                                        | Balance as at April 01, 2015 | Addition 2015-16 | Deletion 2015-16 | Gross Block as on 31.03.2016 | Addition 2016-17   | Deletion 2016-17 | Gross Block as on 31.03.2017 | Balance as at April 01, 2015 | Depreciation 2015-16 | Cumulative Depreciation as at March 31, 2016 | Depreciation 2016-17 on Deduction | Cumulative Depreciation as at March 31, 2017 | Net Block as on March 31, 2016 | Net Block as on March 31, 2017 |
| <b>Tangible Assets:</b>                                |                              |                  |                  |                              |                    |                  |                              |                              |                      |                                              |                                   |                                              |                                |                                |
| Land                                                   | 383371.07                    | 117.96           | 10.05            | 383478.98                    | 394.16             | 4.40             | 383868.74                    | 0.00                         | 49.61                | 49.61                                        | 47.84                             | 97.45                                        | 383429.37                      | 383771.29                      |
| Buildings                                              | 50463.41                     | 1550.56          | 18.08            | 51965.89                     | 1004.91            | 162.36           | 52808.44                     | 0.00                         | 5074.48              | 5074.48                                      | 3840.94                           | 8907.42                                      | 46891.41                       | 43901.02                       |
| Railway Siding                                         | 6703.44                      | 23.44            | 0.00             | 6726.88                      | 0.00               | 0.00             | 6726.88                      | 0.00                         | 646.00               | 646.00                                       | 642.99                            | 1288.99                                      | 6080.88                        | 5437.89                        |
| Plant and Machinery including Electrical installations | 318781.14                    | 8216.07          | 2802.28          | 324194.93                    | 3192.77            | 1498.27          | 325889.43                    | 0.00                         | 21094.21             | 21094.21                                     | 20616.51                          | 41590.25                                     | 303100.72                      | 284299.18                      |
| Furniture and Fixtures                                 | 850.66                       | 160.63           | 19.16            | 992.13                       | 95.79              | 22.28            | 1065.64                      | 0.00                         | 214.46               | 214.46                                       | 212.55                            | 422.08                                       | 777.67                         | 643.56                         |
| Office Equipments and Computers                        | 1647.91                      | 829.93           | 14.78            | 2463.06                      | 342.80             | 18.68            | 2787.18                      | 0.00                         | 480.65               | 480.65                                       | 576.04                            | 1051.61                                      | 1982.41                        | 1735.57                        |
| Vehicles                                               | 1305.13                      | 290.18           | 55.27            | 1540.04                      | 631.81             | 86.51            | 2085.34                      | 0.00                         | 289.95               | 289.95                                       | 327.83                            | 582.12                                       | 1250.09                        | 1503.22                        |
| <b>Total Tangible Assets</b>                           | <b>763092.76</b>             | <b>11188.77</b>  | <b>2919.62</b>   | <b>771361.91</b>             | <b>5662.24</b>     | <b>1792.50</b>   | <b>775231.65</b>             | <b>0.00</b>                  | <b>27849.36</b>      | <b>27849.36</b>                              | <b>26264.70</b>                   | <b>53939.92</b>                              | <b>743512.55</b>               | <b>721291.73</b>               |
| <b>Intangible Assets</b>                               |                              |                  |                  |                              |                    |                  |                              |                              |                      |                                              |                                   |                                              |                                |                                |
| Computer software                                      | 3702.39                      | 670.13           | 0.01             | 4372.51                      | 957.88             | 0.00             | 5330.39                      | 0.00                         | 1396.57              | 1396.57                                      | 1529.40                           | 2925.97                                      | 2975.94                        | 2404.42                        |
| <b>Total Intangible Assets</b>                         | <b>3702.39</b>               | <b>670.13</b>    | <b>0.01</b>      | <b>4372.51</b>               | <b>957.88</b>      | <b>0.00</b>      | <b>5330.39</b>               | <b>0.00</b>                  | <b>1396.57</b>       | <b>1396.57</b>                               | <b>1529.40</b>                    | <b>2925.97</b>                               | <b>2975.94</b>                 | <b>2404.42</b>                 |
| Good Will                                              | 2289.91                      | 0.00             | 0.00             | 2289.91                      | 0.00               | 0.00             | 2289.91                      | 0.00                         | 0.00                 | 0.00                                         | 0.00                              | 0.00                                         | 2289.91                        | 2289.91                        |
| Capital Work in Progress                               | 10776.11                     |                  |                  |                              |                    |                  |                              |                              |                      |                                              |                                   |                                              | 9877.88                        | 13425.46                       |
| <b>Total</b>                                           | <b>779861.17</b>             | <b>11858.90</b>  | <b>2919.63</b>   | <b>778024.33</b>             | <b>6620.12</b>     | <b>1792.50</b>   | <b>782851.95</b>             | <b>0.00</b>                  | <b>29245.93</b>      | <b>29245.93</b>                              | <b>27794.10</b>                   | <b>56865.89</b>                              | <b>758656.28</b>               | <b>739411.52</b>               |

\* Note : Depreciation after transfer from Deferred income during the year Rs.192.96 Lakhs (Previous Year : Rs.192.97 Lakhs) will be as under:

|                                      |                 |                 |
|--------------------------------------|-----------------|-----------------|
|                                      | 2016-17         | 2015-16         |
| Depreciation as above                | 27794.10        | 29245.93        |
| Less : Transfer from Deferred Income | 192.96          | 192.96          |
|                                      | <u>27601.14</u> | <u>29052.97</u> |

\*\* Balance as at April 01, 2015 is on fair value basis and includes assets of amalgamating companies

The increase in value of assets on adopting fair value basis, as at April 01, 2015, is Rs.256074.11 Lakhs.

# CONSOLIDATED ACCOUNTS

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

|                                                                                                   | No. of Shares/<br>Debentures | Face Value<br>Rs. | 31-03-2017<br>Rs. Lakhs | 31-03-2016<br>Rs. Lakhs | 01-04-2015<br>Rs. Lakhs |
|---------------------------------------------------------------------------------------------------|------------------------------|-------------------|-------------------------|-------------------------|-------------------------|
| <b>5. NON-CURRENT INVESTMENTS</b>                                                                 |                              |                   |                         |                         |                         |
| <b>1. Investments in Equity Instruments (fully paid up):</b>                                      |                              |                   |                         |                         |                         |
| <b>(a) In Associates (Unquoted):</b>                                                              |                              |                   |                         |                         |                         |
| Coromandel Sugars Ltd.                                                                            | 7000100                      | 10                | 994.80                  | 994.80                  | 994.80                  |
| <b>(b) In Associates (Unquoted):</b>                                                              |                              |                   |                         |                         |                         |
| India Cements Capital Ltd.                                                                        | 10400000                     | 10                | 2544.98                 | 2544.98                 | 2544.98                 |
| <b>(c) Other than Subsidiaries / Associates (Unquoted)<br/>at Fair values through P&amp;L:</b>    |                              |                   |                         |                         |                         |
| Andhra Pradesh Gas Power Corporation Ltd.                                                         | 5896000                      | 10                | 6804.57                 | 6804.57                 | 6804.57                 |
| Jagati Publications Private Ltd.                                                                  | 1111110                      | 10                | 337.23                  | 337.23                  | 337.23                  |
| Carmel Asia Holdings Private Ltd.                                                                 | 190839                       | 10                | 169.64                  | 169.64                  | 169.64                  |
| PT Adcoal Energindo                                                                               |                              |                   | 8.66                    | 8.26                    | 8.75                    |
| ICL Shipping Ltd                                                                                  | 5000                         | 10                | 0.50                    | 0.50                    | 0.50                    |
| Coromandel Packaging Pvt Ltd [Formerly Pulivendula Polymers Pvt Ltd]                              | 460000                       | 10                | 46.00                   | 46.00                   | 46.00                   |
| Senka Carbon Private Limited                                                                      | 6450                         | 10                | 39.38                   | 39.38                   | 39.38                   |
| TCP Limited                                                                                       | 729752                       | 10                | 556.01                  | 556.01                  | 556.01                  |
| Sun Paper Mill Ltd                                                                                | 325200                       | 10                | 32.52                   | 32.52                   | 32.52                   |
| Unique Receivable Management Private Limited                                                      | 224600                       | 10                | 2.46                    | 2.46                    | 2.46                    |
| Other than Subsidiaries / Associates - Total                                                      |                              |                   | 7996.97                 | 7996.57                 | 7997.06                 |
| <b>(d) Fully paid Equity Shares of Companies (Quoted)</b>                                         |                              |                   |                         |                         |                         |
| Karur KCP Packagings Limited                                                                      | 996500                       | 10                | 477.32                  | 477.32                  | 477.32                  |
| The India Cements Ltd.(Held in Trust on behalf of subsidiaries)                                   | 19954024                     | 10                | 16730.84                | 16730.84                | 16730.84                |
| Servalakshmi Paper Limited                                                                        | 1693783                      | 10                | 491.20                  | 491.20                  | 491.20                  |
|                                                                                                   |                              |                   | 17699.36                | 17699.36                | 17699.36                |
| <b>(e) Other Investments Fully paid shares of Co-operative Societies<br/>Long-term (Unquoted)</b> |                              |                   |                         |                         |                         |
| The India Cements Employees Co-operative Stores Ltd, Sankarnagar                                  | 2500                         | 50                | 1.25                    | 1.25                    | 1.25                    |
| The India Cements Employees Co-operative Stores Ltd, Sankari West                                 | 5000                         | 10                | 0.50                    | 0.50                    | 0.50                    |
| The India Cements Mines Employees Co-operative Stores Ltd, Sankari West                           | 5300                         | 10                | 0.53                    | 0.53                    | 0.53                    |
|                                                                                                   |                              |                   | 2.28                    | 2.28                    | 2.28                    |
| <b>Total - Investments in Equity:</b>                                                             |                              |                   | 29238.39                | 29237.99                | 29238.48                |
| <b>2. Government &amp; Trustee Securities (Unquoted):</b>                                         |                              |                   |                         |                         |                         |
| National Savings Certificates                                                                     |                              |                   | 1.25                    | 1.25                    | 1.25                    |
| Indira Vikas Patra Certificates                                                                   |                              |                   | 0.02                    | 0.02                    | 0.02                    |
|                                                                                                   |                              |                   | 1.27                    | 1.27                    | 1.27                    |
| <b>3. Investments in Debentures (Unquoted):</b>                                                   |                              |                   |                         |                         |                         |
| Zero% Unsecured Convertible Debentures of Coromandel Sugars Ltd.                                  | 3550000                      | 100               | 3550.00                 | 3550.00                 | 3550.00                 |
| <b>Total - Investments in Debenture</b>                                                           |                              |                   | 3550.00                 | 3550.00                 | 3550.00                 |
| <b>Total Investments</b>                                                                          |                              |                   | 32789.66                | 32789.26                | 32789.75                |
| <b>Adjustment as per Accounting Standard 28</b>                                                   |                              |                   |                         |                         |                         |
| <b>1. Increase / (Decrease) in Value Post Investment</b>                                          |                              |                   |                         |                         |                         |
| Coromandel Sugars Limited                                                                         |                              |                   | 3844.27                 | 3780.40                 | 3522.54                 |
| India Cements Capital Limited                                                                     |                              |                   | (1334.41)               | (1371.24)               | (1370.48)               |
|                                                                                                   |                              |                   | 2509.86                 | 2409.16                 | 2152.06                 |
| <b>2. Goodwill arising on Investment</b>                                                          |                              |                   |                         |                         |                         |
| India Cements Capital Limited                                                                     |                              |                   | 234.69                  | 234.69                  | 234.69                  |
| Unique Receivable Management Private Limited                                                      |                              |                   | (2.46)                  | (2.46)                  | (2.46)                  |
|                                                                                                   |                              |                   | 232.23                  | 232.23                  | 232.23                  |
| <b>Grand Total</b>                                                                                |                              |                   | 35531.75                | 35430.65                | 35174.04                |
| Aggregate value of Investments measured at Amortised Cost                                         |                              |                   | 16787.47                | 16786.87                | 16787.36                |
| Fair Value Through Profit & Loss Account                                                          |                              |                   | 8907.87                 | 8907.87                 | 8907.87                 |
| Fair Value Through Other Comprehensive Income                                                     |                              |                   | 0.00                    | 0.00                    | 0.00                    |

## CONSOLIDATED ACCOUNTS

### 3. NON-CURRENT INVESTMENTS (Contd.)

|                                                  | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |                                              | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |
|--------------------------------------------------|------------------------|------------------------|------------------------|----------------------------------------------|------------------------|------------------------|------------------------|
| <b>FINANCIAL ASSETS</b>                          |                        |                        |                        | <b>10 CURRENT INVESTMENTS</b>                |                        |                        |                        |
| <b>6 LOANS</b>                                   |                        |                        |                        | Investments in Mutual Fund                   | <b>254.69</b>          | 309.52                 | 309.52                 |
| Loans and Advances to<br>Related Parties         | <b>7158.35</b>         | 1863.90                | 1646.55                | <b>11 TRADE RECEIVABLES</b>                  |                        |                        |                        |
| Loans and Advances to<br>Body Corporate          | <b>82000.25</b>        | 79278.63               | 73703.55               | Secured, Considered good                     | <b>52301.93</b>        | 56046.76               | 50724.45               |
| Housing Loan and other<br>Loans to Employees     | <b>1064.96</b>         | 1117.65                | 1167.99                | Unsecured, Considered good                   | <b>0.00</b>            | 0.00                   | 0.00                   |
|                                                  | <b>90223.56</b>        | 82260.18               | 76518.09               | Doubtful                                     | <b>2094.24</b>         | 1971.08                | 1774.38                |
|                                                  |                        |                        |                        |                                              | <b>54396.17</b>        | 58017.84               | 52498.83               |
|                                                  |                        |                        |                        | Less: Provision for Doubtful<br>Receivables  | <b>2094.24</b>         | 1971.08                | 1774.38                |
|                                                  |                        |                        |                        | Total - Sundry Debtors,<br>Considered good   | <b>52301.93</b>        | 56046.76               | 50724.45               |
| <b>7 OTHER FINANCIAL ASSETS</b>                  |                        |                        |                        | <b>12 CASH AND CASH EQUIVALENTS</b>          |                        |                        |                        |
| Deposits                                         | <b>5884.19</b>         | 6141.05                | 7435.25                | Cash on Hand                                 | <b>83.18</b>           | 114.71                 | 95.28                  |
|                                                  |                        |                        |                        | Cash at Banks                                | <b>3453.80</b>         | 3322.08                | 4668.03                |
| <b>8 OTHER NON-CURRENT ASSETS</b>                |                        |                        |                        | Fixed Deposit with<br>Scheduled banks        | <b>123.93</b>          | 129.13                 | 150.25                 |
| Unsecured and<br>Considered good                 | <b>830.75</b>          | 1044.77                | 1347.00                | Earmarked Bank Balances                      | <b>137.36</b>          | 6.11                   | 8.81                   |
| Capital Advances                                 | <b>27530.66</b>        | 27076.80               | 20225.11               | Total Cash and<br>Cash Equivalents           | <b>3798.27</b>         | 3572.03                | 4922.37                |
|                                                  | <b>28361.41</b>        | 28121.57               | 21572.11               | <b>13 SHORT-TERM LOANS</b>                   |                        |                        |                        |
| <b>CURRENT ASSETS</b>                            |                        |                        |                        | Other Advances -<br>Financial Asset          | <b>5856.16</b>         | 4884.35                | 3495.09                |
| <b>9 INVENTORIES</b>                             |                        |                        |                        | <b>14 CURRENT TAX ASSETS</b>                 |                        |                        |                        |
| Stores / Spares                                  | <b>17818.83</b>        | 16549.86               | 15889.34               | Advance payment of tax<br>(Net of provision) | <b>13948.40</b>        | 7605.02                | 10324.61               |
| Fuel including coal                              | <b>29585.74</b>        | 22982.70               | 26528.69               | <b>15 OTHER CURRENT ASSETS</b>               |                        |                        |                        |
| Packing Materials                                | <b>1652.02</b>         | 1134.45                | 1655.51                | Advance for goods                            | <b>4411.64</b>         | 780.16                 | 189.25                 |
| Raw Materials                                    | <b>8983.54</b>         | 4691.62                | 5077.52                | Prepaid Expenses                             | <b>3105.47</b>         | 1379.89                | 2533.95                |
| Work-in-Process                                  | <b>902.73</b>          | 931.40                 | 878.86                 | Other Advances                               | <b>33019.65</b>        | 21324.28               | 25457.08               |
| Semi-finished Goods                              | <b>10733.06</b>        | 7492.61                | 6419.11                |                                              | <b>40536.76</b>        | 23484.33               | 28180.28               |
| Finished Goods                                   | <b>3882.45</b>         | 4676.35                | 6051.26                |                                              |                        |                        |                        |
| Construction And<br>Infrastructure - In Progress | <b>3765.52</b>         | 4145.79                | 2227.76                |                                              |                        |                        |                        |
| Stock-In-Trade                                   | <b>38.96</b>           | 36.05                  | 37.29                  |                                              |                        |                        |                        |
|                                                  | <b>77362.85</b>        | 62640.83               | 64765.34               |                                              |                        |                        |                        |

# CONSOLIDATED ACCOUNTS

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

### 16. SHARE CAPITAL

|                                                                           | No. of<br>Shares | Par value<br>per share | 31-03-2017<br>Rs. lakhs<br>(Rs.) | No. of<br>Shares | Par value<br>per share | 31-03-2016<br>Rs. lakhs<br>(Rs.) | No. of<br>Shares | Par value<br>per share | 01-04-2015<br>Rs. lakhs<br>(Rs.) |
|---------------------------------------------------------------------------|------------------|------------------------|----------------------------------|------------------|------------------------|----------------------------------|------------------|------------------------|----------------------------------|
| AUTHORISED :                                                              |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares                                                             | 460000000        | 10                     | 46000.00                         | 460000000        | 10                     | 46000.00                         | 460000000        | 10                     | 46000.00                         |
| Redeemable Cumulative Preference Shares                                   | 7500000          | 100                    | 7500.00                          | 7500000          | 100                    | 7500.00                          | 7500000          | 100                    | 7500.00                          |
|                                                                           |                  |                        | <u>53500.00</u>                  |                  |                        | <u>53500.00</u>                  |                  |                        | <u>53500.00</u>                  |
| ISSUED :                                                                  |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares                                                             | 307178723        | 10                     | 30717.87                         | 307178723        | 10                     | 30717.87                         | 307178723        | 10                     | 30717.87                         |
|                                                                           |                  |                        | <u>30717.87</u>                  |                  |                        | <u>30717.87</u>                  |                  |                        | <u>30717.87</u>                  |
| SUBSCRIBED AND PAID UP:                                                   |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Equity Shares fully paid up:                                              |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Opening balance                                                           | 307177340        | 10                     | 30717.73                         | 307177340        | 10                     | 30717.73                         | 307177340        | 10                     | 30717.73                         |
| Add: partly paid up shares, subscribed fully during the year              | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Add: Subscribed during the year                                           | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Total - Issued, Subscribed and fully paid up                              | <u>307177340</u> |                        | <u>30717.73</u>                  | <u>307177340</u> |                        | <u>30717.73</u>                  | <u>307177340</u> |                        | <u>30717.73</u>                  |
| Equity Shares - Subscribed, but not fully paid<br>(other than Directors): |                  |                        |                                  |                  |                        |                                  |                  |                        |                                  |
| Opening balance:                                                          | 1317             | 10                     | 0.10                             | 1317             | 10                     | 0.10                             | 1317             | 10                     | 0.10                             |
| Less: partly paid up shares, Subscribed fully during the year             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             | 0                | 10                     | 0.00                             |
| Total -Equity Shares Subscribed, but not fully paid                       | <u>1317</u>      |                        | <u>0.10</u>                      | <u>1317</u>      |                        | <u>0.10</u>                      | <u>1317</u>      |                        | <u>0.10</u>                      |
| Sub- total                                                                | <u>307178657</u> |                        | <u>30717.83</u>                  | <u>307178657</u> |                        | <u>30717.83</u>                  | <u>307178657</u> |                        | <u>30717.83</u>                  |
| Share suspense account (see Note below)                                   |                  |                        | 97.44                            |                  |                        | 97.44                            |                  |                        | 97.44                            |
| Total                                                                     |                  |                        | <u>30815.27</u>                  |                  |                        | <u>30815.27</u>                  |                  |                        | <u>30815.27</u>                  |

### List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)

| Shareholder's name                                                                                                                                                                                                                                                                                                          | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs | No. of<br>shares<br>held | % held | Total<br>face<br>value<br>Rs. Lakhs |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------|-------------------------------------|--------------------------|--------|-------------------------------------|--------------------------|--------|-------------------------------------|
| EWS Finance & Investments Pvt Ltd                                                                                                                                                                                                                                                                                           | 27643432                 | 9.00   | 2764.34                             | 27643432                 | 9.00   | 2764.34                             | 27643432                 | 9.00   | 2764.34                             |
| Prince Holdings (Madras) Private Ltd                                                                                                                                                                                                                                                                                        | 25500000                 | 8.30   | 2550.00                             | 25500000                 | 8.30   | 2550.00                             | 25500000                 | 8.30   | 2550.00                             |
| Reliance Capital Trustee Co Ltd A/C-Reliance Regular Savings Fund-Balanced Option, Reliance Regular Savings Fund-Equity Option, Reliance Mid & Small Cap Fund, Reliance Capital Builder Fund 2 SR C, Reliance Capital Builder Fund - SR A, Reliance arbitrage Advantage Fund, Reliance small Cap Fund, Reliance Growth Fund |                          |        |                                     |                          |        |                                     |                          |        |                                     |
|                                                                                                                                                                                                                                                                                                                             | 21470600                 | 6.99   | 2147.06                             | 10589231                 | 3.44   | 1058.92                             | 7229231                  | 2.35   | 722.92                              |
| Mrs.Vidya Subramanian *                                                                                                                                                                                                                                                                                                     | 19954024                 | 6.50   | 1995.40                             | 19954024                 | 6.50   | 1995.40                             | 19954024                 | 6.50   | 1995.40                             |
| Life Insurance Corporation of India Ltd                                                                                                                                                                                                                                                                                     | 16820309                 | 5.48   | 1682.03                             | 18609745                 | 6.06   | 1860.97                             | 18609745                 | 6.06   | 1860.97                             |
| Trishul Investments Private Limited                                                                                                                                                                                                                                                                                         | 17525976                 | 5.71   | 1752.60                             | 17525976                 | 5.71   | 1752.60                             | 17525976                 | 5.71   | 1752.60                             |
| ELM Park Fund Limited                                                                                                                                                                                                                                                                                                       | 16083496                 | 5.24   | 1608.35                             | 15361746                 | 5.00   | 1536.17                             | 14016058                 | 4.56   | 1401.61                             |
| The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation and The Boston Company Asset Management LLC together with PAC                                                                                                                                                                    |                          |        |                                     |                          |        |                                     |                          |        |                                     |
|                                                                                                                                                                                                                                                                                                                             | -                        | -      | -                                   | 16123641                 | 5.25   | 1612.36                             | 28283158                 | 9.21   | 2828.32                             |

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

#### Terms / Rights / restrictions attached to shares:

The Company has only one class of Equity share. Each share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Shares, as given below:

During the year 2005-06, the Company allotted 5,12,27,592 underlying equity shares of Rs.10/- each represented by 2,56,13,796 Global Depository Shares (GDSs) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

During the previous year 2015-16, the Company had declared and distributed a dividend of Re.1.00 per share.

#### Shares reserved for issue under Employee stock option scheme:

During the year 2006-07, the company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. There are no shares reserved for issue under options as at March 31,2017.

As recommended by the Compensation Committee, the Board of Directors has granted, as on 01.04.2017, 18.35 lakhs options to eligible employees under Employees Stock Option Scheme, 2016 (Scheme). The options granted under the Scheme will vest with the employees on 01.04.2018 and the vested options shall be exercised within one year from the date of vesting. On exercise of each option, one equity share of Rs.10/- each fully paid-up will be allotted at a price of Rs.50/- per share, including a premium of Rs.40/- per share.

\* Shares are held in the capacity of a Trustee for the shares held by the Wholly owned Subsidiaries in Trusts.

#### Note on increase in Authorised Capital arising on approval of Scheme of Amalgamation / Arrangement:

Post amalgamation, the capital structure of the Company will be as under:

Pending allotment of shares to the eligible shareholders of the transferor companies, the share capital is shown as share suspense a/c in the financial statements.

|                                             | No. of<br>Shares | Par value<br>per share (Rs.) | Rs. Lakhs        |
|---------------------------------------------|------------------|------------------------------|------------------|
| <b>AUTHORISED :</b>                         |                  |                              |                  |
| Equity Shares                               | 529808600        | 10                           | 52980.86         |
| Redeemable Cumulative Preference Shares     | 7500000          | 100                          | 7500.00          |
| Redeemable Non-Cumulative Preference Shares | 81500000         | 100                          | 81500.00         |
|                                             |                  |                              | <u>141980.86</u> |
| <b>ISSUED :</b>                             |                  |                              |                  |
| Equity Shares                               | 308153140        | 10                           | 30815.31         |
|                                             |                  |                              | <u>30815.31</u>  |
| <b>SUBSCRIBED AND PAID UP :</b>             |                  |                              |                  |
| Equity Shares                               |                  |                              |                  |
| Fully paid up shares                        | 308151757        | 10                           | 30815.18         |
| Add: partly paid up shares                  | 0                | 10                           | 0.09             |
| Total issued, subscribed and fully paid up  | <u>308151757</u> |                              | <u>30815.27</u>  |

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

|                                                                                                                                | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|-------------------------|
| <b>17. OTHER EQUITY</b>                                                                                                        |                        |                        |                         |
| <b>Capital Reserve</b>                                                                                                         | <b>16.17</b>           | <b>16.17</b>           | <b>16.17</b>            |
| <b>Capital Redemption Reserve</b>                                                                                              |                        |                        |                         |
| Opening balance                                                                                                                | 3452.03                | 3428.89                | 3212.20                 |
| Add: Additions during the year                                                                                                 | —                      | 40.00                  | 326.20                  |
| Less: Transfer during the period                                                                                               | —                      | 16.86                  | 109.51                  |
| Closing Balance                                                                                                                | <b>3452.03</b>         | <b>3452.03</b>         | <b>3428.89</b>          |
| <b>Securities Premium</b>                                                                                                      |                        |                        |                         |
| Opening balance                                                                                                                | 147670.92              | 147670.92              | 147670.92               |
| Add: Additions on ESOS exercised                                                                                               | —                      | —                      | —                       |
| Add: Transfer from Stock options outstanding account                                                                           | —                      | —                      | —                       |
| Add: Calls in arrears received                                                                                                 | 0.02                   | —                      | —                       |
| Less: Premium on redemption of Bonds                                                                                           | —                      | —                      | —                       |
| Closing balance                                                                                                                | <b>147670.94</b>       | <b>147670.92</b>       | <b>147670.92</b>        |
| <b>Debenture Redemption Reserve</b>                                                                                            |                        |                        |                         |
| Opening balance                                                                                                                | 48.00                  | 48.00                  | 48.00                   |
| Add: Additions during the year                                                                                                 | —                      | —                      | —                       |
| Less: Transfer to Profit & Loss Account                                                                                        | —                      | —                      | —                       |
| Closing balance                                                                                                                | <b>48.00</b>           | <b>48.00</b>           | <b>48.00</b>            |
| <b>Contingency Reserve</b>                                                                                                     | <b>—</b>               | <b>—</b>               | <b>—</b>                |
| <b>General Reserve</b>                                                                                                         |                        |                        |                         |
| Opening balance                                                                                                                | 24593.64               | 20533.63               | 20443.25                |
| Add : Additions during the year                                                                                                | 6350.03                | 4103.71                | 136.05                  |
| Withdrawals                                                                                                                    | 145.01                 | 43.70                  | 45.67                   |
| Closing balance                                                                                                                | <b>30798.66</b>        | <b>24593.64</b>        | <b>20533.63</b>         |
| <b>Deferred Income</b>                                                                                                         |                        |                        |                         |
| Opening balance                                                                                                                | 2509.30                | 2702.27                | 2895.13                 |
| Less: Transfer / withdrawals                                                                                                   | 192.96                 | 192.97                 | 192.86                  |
| Closing balance                                                                                                                | <b>2316.34</b>         | <b>2509.30</b>         | <b>2702.27</b>          |
| <b>Shipping Tonnage Tax Reserve</b>                                                                                            | <b>90.00</b>           | <b>90.00</b>           | <b>90.00</b>            |
| <b>Other Retained Earnings</b>                                                                                                 |                        |                        |                         |
| <b>Ind AS Transition Reserve (Refer Note 40.17)</b>                                                                            | <b>233309.18</b>       | <b>233459.26</b>       | <b>233459.26</b>        |
| <b>Surplus in Profit &amp; Loss account</b>                                                                                    |                        |                        |                         |
| Opening balance (Refer Note 40.21)                                                                                             | 62369.13               | 55007.45               | 58965.78                |
| Less: Transfer to Depreciation A/c in the Statement of Profit & Loss<br>(as per Para 7b of Schedule II of Companies Act, 2013) | —                      | —                      | (1.16)                  |
| Sub-total                                                                                                                      | <b>62369.13</b>        | <b>55007.45</b>        | <b>58964.62</b>         |
| Add: Profit / (Loss) after tax for the year                                                                                    | <b>16307.18</b>        | <b>11446.71</b>        | <b>(3642.06)</b>        |
| Sub-total                                                                                                                      | <b>78676.31</b>        | <b>66454.16</b>        | <b>55322.56</b>         |



## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

|                                                                                               | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs. Lakhs |
|-----------------------------------------------------------------------------------------------|------------------------|------------------------|-------------------------|
| <b>Appropriations</b>                                                                         |                        |                        |                         |
| Proposed Dividend (10%) on Equity Capital<br>(Proposed for the year 2015-16, paid in 2016-17) | 2872.24                | —                      | —                       |
| Dividend Distribution tax                                                                     | 625.34                 | 1.88                   | 8.04                    |
| Transfer to General Reserve                                                                   | 6204.99                | 4083.15                | 307.07                  |
| Transfer to / (from) Debenture Redemption Reserve                                             | —                      | —                      | —                       |
| Transfer to Capital Redemption Reserve                                                        | —                      | —                      | —                       |
| Sub-total                                                                                     | 9702.57                | 4085.03                | 315.11                  |
| Closing balance                                                                               | 68973.74               | 62369.13               | 55007.45                |
| Total - Other Equity                                                                          | 486675.06              | 474208.45              | 462956.59               |

|                                                            | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |
|------------------------------------------------------------|------------------------|------------------------|------------------------|
| <b>NON-CURRENT LIABILITIES</b>                             |                        |                        |                        |
| <b>18 LONG-TERM BORROWINGS</b>                             |                        |                        |                        |
| 1. Secured (Refer Note No.39):                             |                        |                        |                        |
| Term-Loans from Banks                                      | 193961.16              | 119277.81              | 155572.32              |
| Debentures                                                 | 13846.15               | 0.00                   | 0.00                   |
| Others                                                     | 2833.33                | 53620.82               | 49771.37               |
| 2. Unsecured Loans:                                        |                        |                        |                        |
| From Banks                                                 | 0.00                   | 0.00                   | 0.00                   |
| From Holding Company                                       | 0.00                   | 0.00                   | 0.00                   |
| Others                                                     | 34508.29               | 39753.59               | 45336.70               |
|                                                            | 245148.93              | 212652.22              | 250680.39              |
| <b>19 LONG-TERM PROVISIONS</b>                             |                        |                        |                        |
| Provision for Employee benefits<br>and Mines Refilling     | 16078.20               | 16081.06               | 15627.50               |
| <b>20 DEFERRED TAX LIABILITY (NET)</b>                     |                        |                        |                        |
| Deferred Tax Liability (net)                               | 66273.46               | 57931.02               | 57128.27               |
| <b>21 OTHER LONG-TERM LIABILITIES</b>                      |                        |                        |                        |
| Deposits                                                   | 2806.26                | 2428.71                | 3706.81                |
| Others                                                     | 0.00                   | 5804.74                | 5761.92                |
|                                                            | 2806.26                | 8233.45                | 9468.73                |
| <b>CURRENT LIABILITIES</b>                                 |                        |                        |                        |
| <b>22 SHORT-TERM BORROWINGS</b>                            |                        |                        |                        |
| a. Cash Credit facilities<br>from Banks                    | 19957.02               | 47791.49               | 54915.40               |
| b. Unsecured loans<br>from Banks                           | 15998.03               | 8099.39                | 2000.00                |
|                                                            | 35955.05               | 55890.88               | 56915.40               |
| <b>23 TRADE PAYABLES</b>                                   |                        |                        |                        |
| 1. Creditors for Goods                                     | 41324.02               | 29953.38               | 30082.61               |
| 2. Acceptances                                             | 38505.38               | 31967.94               | 27521.47               |
| 3. Other Trade Payables                                    | 39795.71               | 33184.71               | 31298.07               |
| 4. Trade deposits from<br>Customers                        | 10579.78               | 9777.33                | 7683.70                |
|                                                            | 130204.89              | 104883.36              | 96585.85               |
| <b>24 OTHER FINANCIAL LIABILITIES</b>                      |                        |                        |                        |
| 1. Current Maturities -<br>Secured Loans-Banks             | 17677.52               | 41413.21               | 40037.08               |
| 2. Current Maturities -<br>Secured Loans-Others            | 4166.67                | 12772.16               | 5833.05                |
| 3. Current Maturities -<br>Unsecured Loans-Others          | 7087.17                | 6869.21                | 6558.07                |
| 4. Interest accrued but<br>not due on borrowings           | 2064.02                | 1531.87                | 4183.13                |
| 5. Creditors Capital goods                                 | 2755.59                | 1915.65                | 1144.31                |
| 6. Other Liabilities                                       | 32154.03               | 30484.23               | 34128.60               |
| 7. Dividend payable                                        | 84.33                  | 89.43                  | 107.84                 |
| 8. Unpaid matured deposits<br>and Interest accrued thereon | 11.59                  | 28.79                  | 18.16                  |
|                                                            | 66000.92               | 95104.55               | 92010.24               |
| <b>25 SHORT TERM PROVISIONS</b>                            |                        |                        |                        |
| Proposed Dividend                                          | 17.93                  | 16.72                  | 16.72                  |
| <b>26 CURRENT TAX LIABILITIES</b>                          |                        |                        |                        |
| Provision for Income Tax                                   | 2491.78                | 2378.09                | 2313.70                |
| <b>27 OTHER CURRENT LIABILITIES</b>                        |                        |                        |                        |
| Customer Credit Balances                                   | 7445.99                | 8301.80                | 6332.59                |

# **CONSOLIDATED ACCOUNTS** **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

|                                        | Apr-16 to Mar-17 |           | Apr-15 to Mar-16 |           |                                        | Apr-16 to Mar-17 |           | Apr-15 to Mar-16 |           |
|----------------------------------------|------------------|-----------|------------------|-----------|----------------------------------------|------------------|-----------|------------------|-----------|
|                                        | Rs. Lakhs        | Rs. Lakhs | Rs. Lakhs        | Rs. Lakhs |                                        | Rs. Lakhs        | Rs. Lakhs | Rs. Lakhs        | Rs. Lakhs |
| <b>28. REVENUE FROM OPERATIONS</b>     |                  |           |                  |           |                                        |                  |           |                  |           |
| Sales                                  |                  | 559429.46 |                  | 524039.50 | Closing Stock:                         |                  |           |                  |           |
| Other Operating Revenues:              |                  |           |                  |           | Work-in-Process                        | 902.73           |           | 931.39           |           |
| Freight Earnings                       | 1398.39          |           | 4070.86          |           | Semi-finished Goods                    | 10733.41         |           | 7492.62          |           |
| Sale of Energy                         | 7022.19          |           | 6794.62          |           | Finished Goods                         | 3900.05          |           | 4696.81          |           |
| Value of Power Generated from          |                  |           |                  |           | Stock-in-Trade                         | 38.62            |           | 36.05            |           |
| Wind Farms                             | 1799.98          |           | 1279.38          |           | Construction & Infrastructure -        |                  |           |                  |           |
| Income from Thermal Power Plant        | 385.67           |           | 3038.16          |           | Projects-in-Progress                   | 1484.65          |           | 2090.16          |           |
| Income from RMC /                      |                  |           |                  |           |                                        |                  | 17059.46  |                  | 15247.03  |
| Indian Premier League                  | 10096.19         |           | 10231.60         |           | Total (Increase) / Decrease in stock   |                  | (1812.43) |                  | (912.86)  |
| Income from Construction and           |                  |           |                  |           |                                        |                  |           |                  |           |
| Infrastructure Projects                | 3713.35          |           | 1812.15          |           | <b>33. EMPLOYEE BENEFITS EXPENSE</b>   |                  |           |                  |           |
| Aviation Service Receipts              | 1251.72          |           | 1561.85          |           | (a) Employees other than Directors:    |                  |           |                  |           |
| Trade Sales                            | 989.90           |           | 647.27           |           | Salaries, Wages and Bonus              | 25563.10         |           | 26298.91         |           |
| Revenue from Operations                |                  |           |                  |           | Contribution to Provident Fund         | 1367.43          |           | 1259.80          |           |
| including Excise Duty                  | 586086.85        |           | 553475.39        |           | Gratuity                               | 1670.37          |           | 883.49           |           |
|                                        |                  |           |                  |           | Superannuation                         | 1246.32          |           | 1402.02          |           |
| <b>29. OTHER INCOME</b>                |                  |           |                  |           | Employees' Provident Fund              |                  |           |                  |           |
| Dividend Income                        | 0.00             |           | 1.12             |           | Administration Charges                 | 86.96            |           | 81.21            |           |
| Interest Income                        | 866.83           |           | 1842.56          |           | Employees' State Insurance Scheme      | 56.43            |           | 48.37            |           |
| Gain on Sale of Investments            | 8.75             |           | 0.16             |           | Workmen and Staff Welfare Expenses     | 4256.52          |           | 4806.30          |           |
| Other Non-operating Income             | 875.58           |           | 1842.72          |           | Unavailed leave / leave encashment     | 2208.72          |           | 1136.08          |           |
| Rent Recovery                          | 26.19            |           | 28.79            |           | Employees Other than Directors - Total | 36455.85         |           | 35916.18         |           |
| Profit on Sale of Assets               | 440.63           |           | 20.93            |           | (b) Directors:                         |                  |           |                  |           |
| Foreign Exchange Translation           |                  |           |                  |           | Director's Remuneration                |                  |           |                  |           |
| difference                             | 7.23             |           | 11.30            |           | Managing Director:                     |                  |           |                  |           |
| Miscellaneous Income                   | 579.27           |           | 564.39           |           | Salary                                 | 564.00           |           | 360.00           |           |
| Total Other Income                     | 1928.90          |           | 2469.25          |           | HRA                                    | 169.20           |           | 108.00           |           |
|                                        |                  |           |                  |           | Contribution to Provident Fund         | 67.68            |           | 43.20            |           |
| <b>30. COST OF MATERIALS CONSUMED</b>  |                  |           |                  |           | Contribution to Gratuity and           |                  |           |                  |           |
| Raw Material Consumed                  |                  |           |                  |           | Superannuation Funds                   | 108.10           |           | 69.00            |           |
| Opening Stock                          | 4670.51          |           | 5058.65          |           | Commission                             | 400.00           |           | 300.00           |           |
| Add: Purchases                         | 72992.58         |           | 61864.39         |           | Others                                 | 6.35             | 1315.33   | 6.94             | 887.14    |
| Add: Own Quarrying (Net)               |                  |           |                  |           | Whole Time Director:                   |                  |           |                  |           |
| (Refer Note No. 40.6)                  | 24414.38         | 97406.96  | 23627.92         | 85492.31  | Salary                                 | 150.00           |           | 154.87           |           |
| Less: Closing Stock                    | 8965.95          |           | 4671.18          |           | HRA                                    | 45.00            |           | 45.65            |           |
| Total Raw Materials Consumed           | 93111.52         |           | 85879.78         |           | Contribution to Provident Fund         | 18.00            |           | 18.26            |           |
|                                        |                  |           |                  |           | Contribution to Gratuity and           |                  |           |                  |           |
| <b>31. PURCHASES OF STOCK-IN-TRADE</b> |                  |           |                  |           | Superannuation funds                   | 28.75            |           | 29.17            |           |
| Trade Purchases                        | 848.03           |           | 588.85           |           | Commission                             | 200.00           | 441.75    | 120.00           | 367.95    |
|                                        |                  |           |                  |           | Director's Remuneration-Total          |                  | 1757.08   |                  | 1255.09   |
| <b>32. CHANGES IN INVENTORIES OF</b>   |                  |           |                  |           | Total Employee benefits expense (a+b)  |                  | 38212.93  |                  | 37171.27  |
| <b>FINISHED GOODS WORK-IN-PROGRESS</b> |                  |           |                  |           |                                        |                  |           |                  |           |
| Opening Stock:                         |                  |           |                  |           | <b>34. FINANCE COSTS</b>               |                  |           |                  |           |
| Work-in-Process                        | 931.39           |           | 878.86           |           | Interest expense                       | 27105.63         |           | 29942.09         |           |
| Semi-finished Goods                    | 7492.62          |           | 6419.11          |           | Other borrowing costs                  | 10719.64         |           | 12315.89         |           |
| Finished Goods                         | 4696.81          |           | 6070.10          |           | Loss on Foreign currency transactions  |                  |           |                  |           |
| Stock-in-Trade                         | 36.05            |           | 37.29            |           | and translations                       | 171.47           |           | 1700.67          |           |
| Construction & Infrastructure -        |                  |           |                  |           |                                        |                  | 37996.74  |                  | 43958.65  |
| Projects-in-Progress                   | 2090.16          |           | 928.81           |           |                                        |                  |           |                  |           |
|                                        |                  | 15247.03  |                  | 14334.17  |                                        |                  |           |                  |           |

# **CONSOLIDATED ACCOUNTS** **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

|                                                       |  | Apr-16 to Mar-17 |           | Apr-15 to Mar-16 |           |                                                              |  | Apr-16 to Mar-17 |           | Apr-15 to Mar-16 |           |
|-------------------------------------------------------|--|------------------|-----------|------------------|-----------|--------------------------------------------------------------|--|------------------|-----------|------------------|-----------|
|                                                       |  | Rs. Lakhs        | Rs. Lakhs | Rs. Lakhs        | Rs. Lakhs |                                                              |  | Rs. Lakhs        | Rs. Lakhs | Rs. Lakhs        | Rs. Lakhs |
| <b>35. MANUFACTURING AND OTHER OPERATING EXPENSES</b> |  |                  |           |                  |           | <b>37. SELLING AND DISTRIBUTION EXPENSES</b>                 |  |                  |           |                  |           |
| Stores Consumed                                       |  | 6162.57          |           | 4710.96          |           | Packing Charges                                              |  | 20744.40         |           | 19007.64         |           |
| Power and Fuel                                        |  | 104698.54        |           | 104346.90        |           | Entry Tax                                                    |  | 449.93           |           | 326.28           |           |
| Repairs & Maintenance:                                |  |                  |           |                  |           | Freight outwards                                             |  | 102992.18        |           | 90509.67         |           |
| Building                                              |  | 406.56           |           | 232.53           |           | Handling                                                     |  | 10001.15         |           | 9208.61          |           |
| Machinery                                             |  | 9455.48          |           | 10558.06         |           | Advertisement                                                |  | 6064.20          |           | 5909.18          |           |
| Others                                                |  | 2825.47          | 12687.51  | 2417.43          | 13208.02  | Others                                                       |  | 16292.94         |           | 14430.79         |           |
| Agency and Port Expenses                              |  | 135.32           |           | 184.04           |           |                                                              |  | 156544.80        |           | 139392.17        |           |
| Construction Costs                                    |  | 67.65            |           | 0.00             |           |                                                              |  |                  |           |                  |           |
| Aircraft Operating Expenses                           |  | 892.58           |           | 827.50           |           |                                                              |  |                  |           |                  |           |
| Excise Duty                                           |  | 69836.06         |           | 65224.45         |           |                                                              |  |                  |           |                  |           |
|                                                       |  | 194480.23        |           | 188501.87        |           |                                                              |  |                  |           |                  |           |
| <b>36. ADMINISTRATION AND OTHER CHARGES</b>           |  |                  |           |                  |           | <b>38. DONATIONS</b>                                         |  |                  |           |                  |           |
| Insurance and P&I Charges                             |  | 667.88           |           | 720.62           |           | The India Cements Educational Society                        |  | 400.00           |           | 400.00           |           |
| Rent                                                  |  | 191.41           |           | 187.62           |           | Others                                                       |  | 700.05           |           | 886.17           |           |
| Rates and Taxes                                       |  | 1063.62          |           | 1318.86          |           |                                                              |  | 1100.05          |           | 1286.17          |           |
| Printing and Stationery                               |  | 212.61           |           | 224.25           |           |                                                              |  |                  |           |                  |           |
| Postage Telephones and Telegrams                      |  | 416.89           |           | 451.11           |           | Corporate Social Responsibility (CSR) Expenditure:           |  |                  |           |                  |           |
| Other Administration Expenses                         |  | 10759.61         |           | 10043.75         |           | CSR Expenditure included in Donation:                        |  |                  |           |                  |           |
| Legal Fees                                            |  | 541.66           |           | 523.40           |           | The India Cements Education Society                          |  | 400.00           |           | 400.00           |           |
| Directors' Sitting Fees                               |  | 13.07            |           | 15.43            |           | Others                                                       |  | 108.10           |           | 276.21           |           |
| Audit Expenses:                                       |  |                  |           |                  |           |                                                              |  | 508.10           |           | 676.21           |           |
| Audit Fees                                            |  | 110.17           |           | 90.12            |           | CSR expenditure included in administration and other charges |  | 233.27           |           | 188.28           |           |
| Cost Audit Fees                                       |  | 17.15            |           | 16.00            |           | Total CSR expenditure incurred                               |  | 741.37           |           | 864.49           |           |
| Certifications / Others                               |  | 13.84            |           | 21.99            |           |                                                              |  |                  |           |                  |           |
| Tax Audit / Other Services                            |  | 11.52            |           | 21.06            |           |                                                              |  |                  |           |                  |           |
| Travel / out of pocket expenses                       |  | 18.29            | 170.97    | 16.35            | 165.52    |                                                              |  |                  |           |                  |           |
| Loss on sale of assets                                |  | 247.10           |           | 79.79            |           |                                                              |  |                  |           |                  |           |
| Provision for Doubtful Advances                       |  | 493.26           |           | 602.90           |           |                                                              |  |                  |           |                  |           |
|                                                       |  | 14778.08         |           | 14333.25         |           |                                                              |  |                  |           |                  |           |

## **NOTE 39**

### **BRAKE-UP OF BORROWINGS**

|                                                                                                                             | Non Current Portion |           |           | Current Maturities |           |           | Total     |           |           |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------|-----------|-----------|--------------------|-----------|-----------|-----------|-----------|-----------|
|                                                                                                                             | 31-Mar-17           | 31-Mar-16 | 01-Apr-15 | 31-Mar-17          | 31-Mar-16 | 01-Apr-15 | 31-Mar-17 | 31-Mar-16 | 01-Apr-15 |
|                                                                                                                             | Rs. lakhs           | Rs. lakhs | Rs. lakhs | Rs. lakhs          | Rs. lakhs | Rs. lakhs | Rs. lakhs | Rs. lakhs | Rs. lakhs |
| <b>SECURED:</b>                                                                                                             |                     |           |           |                    |           |           |           |           |           |
| (a) Debentures:                                                                                                             |                     |           |           |                    |           |           |           |           |           |
| 1 HDFC BANK - 1,500 Nos, Rated, Unlisted, Secured, Redeemable Non-Convertible Debentures of Face Value of Rs.10,00,000 each | 13846.15            | 0.00      | 0.00      | 1153.85            | 0.00      | 0.00      | 15000.00  | 0.00      | 0.00      |
| Debentures Total                                                                                                            | 13846.15            | 0.00      | 0.00      | 1153.85            | 0.00      | 0.00      | 15000.00  | 0.00      | 0.00      |
| (b) Term Loans:                                                                                                             |                     |           |           |                    |           |           |           |           |           |
| From Banks:                                                                                                                 |                     |           |           |                    |           |           |           |           |           |
| 2 IDBI Bank Ltd                                                                                                             | 0.00                | 0.00      | 300.72    | 0.00               | 0.00      | 1164.42   | 0.00      | 0.00      | 1465.14   |
| 3 IDBI Bank Ltd                                                                                                             | 0.00                | 0.00      | 136.50    | 0.00               | 0.00      | 528.55    | 0.00      | 0.00      | 665.05    |
| 4 IDBI Bank Ltd                                                                                                             | 0.00                | 0.00      | 9.66      | 0.00               | 0.00      | 70.79     | 0.00      | 0.00      | 80.45     |
| 5 Punjab National Bank                                                                                                      | 0.00                | 0.00      | 0.00      | 0.00               | 0.00      | 1238.94   | 0.00      | 0.00      | 1238.94   |
| 6 Kotak Mahindra Bank                                                                                                       | 0.00                | 0.00      | 0.00      | 0.00               | 0.00      | 111.15    | 0.00      | 0.00      | 111.15    |
| 7 Kotak Mahindra Bank                                                                                                       | 0.00                | 0.00      | 916.63    | 0.00               | 916.63    | 1083.29   | 0.00      | 916.63    | 1999.92   |
| 8 Kotak Mahindra Bank                                                                                                       | 0.00                | 0.00      | 0.00      | 0.00               | 0.00      | 6513.60   | 0.00      | 0.00      | 6513.60   |

# CONSOLIDATED ACCOUNTS

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

### SECURITY FOR SECURED BORROWINGS - (Contd.)

|                                                                             | Non Current Portion    |                        |                        | Current Maturities     |                        |                        | Total                  |                        |                        |
|-----------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                             | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs | 31-Mar-17<br>Rs. lakhs | 31-Mar-16<br>Rs. lakhs | 01-Apr-15<br>Rs. lakhs |
| 9 Kotak Mahindra Bank                                                       |                        |                        |                        |                        |                        | 1567.99                |                        |                        | 1567.99                |
| 10 Kotak Mahindra Bank                                                      | 0.00                   | 958.40                 | 1458.45                | 0.00                   | 500.04                 | 583.14                 | 0.00                   | 1458.44                | 2041.59                |
| 11 Axis Bank Ltd                                                            | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 2949.94                | 0.00                   | 0.00                   | 2949.94                |
| 12 Axis Bank Ltd                                                            | 0.00                   | 10500.00               | 14500.00               | 0.00                   | 3000.00                | 4000.00                | 0.00                   | 13500.00               | 18500.00               |
| 13 ICICI Bank Ltd                                                           | 0.00                   | 5454.60                | 9090.91                | 0.00                   | 3636.30                | 0.00                   | 0.00                   | 9090.90                | 9090.91                |
| 14 IDBI Bank Ltd                                                            | 0.00                   | 8333.28                | 13888.80               | 0.00                   | 5092.56                | 5555.52                | 0.00                   | 13425.84               | 19444.32               |
| 15 Karnataka Bank                                                           | 0.00                   | 0.00                   | 2125.00                | 0.00                   | 0.00                   | 4250.00                | 0.00                   | 0.00                   | 6375.00                |
| 16 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 2500.00                | 5000.00                | 0.00                   | 2500.00                | 7500.00                |
| 17 HDFC Bank Ltd                                                            | 0.00                   | 82.70                  | 538.00                 | 0.00                   | 47.96                  | 0.00                   | 0.00                   | 130.66                 | 538.00                 |
| 18 IDBI Bank-CECL                                                           | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 72.94                  | 0.00                   | 0.00                   | 72.94                  |
| 19 ICICI Bank-Vehicle Loan                                                  | 0.00                   | 28.51                  | 92.30                  | 28.48                  | 64.12                  | 57.89                  | 28.48                  | 92.63                  | 150.19                 |
| 20 ICICI Bank Ltd                                                           | 10458.00               | 15687.00               | 20916.00               | 5229.00                | 5229.00                | 5229.00                | 15687.00               | 20916.00               | 26145.00               |
| 21 IDBI Bank Ltd                                                            | 17392.35               | 41666.70               | 50000.00               | 0.00                   | 8333.30                | 0.00                   | 17392.35               | 50000.00               | 50000.00               |
| 22 ICICI Bank Ltd                                                           | 20100.00               | 26800.00               | 33500.00               | 375.00                 | 6700.00                | 0.00                   | 20475.00               | 33500.00               | 33500.00               |
| 23 IDBI Bank Ltd                                                            | 29703.00               | 0.00                   | 0.00                   | 297.00                 | 0.00                   | 0.00                   | 30000.00               | 0.00                   | 0.00                   |
| 24 ICICI Bank Ltd                                                           | 14850.00               | 0.00                   | 0.00                   | 150.00                 | 0.00                   | 0.00                   | 15000.00               | 0.00                   | 0.00                   |
| 25 State Bank of India                                                      | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 26 Andhra Bank                                                              | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 27 Central Bank of India                                                    | 19702.00               | 0.00                   | 0.00                   | 232.00                 | 0.00                   | 0.00                   | 19934.00               | 0.00                   | 0.00                   |
| 28 ICICI Bank Ltd                                                           | 12692.31               | 0.00                   | 0.00                   | 2307.69                | 0.00                   | 0.00                   | 15000.00               | 0.00                   | 0.00                   |
| 29 Yes Bank Ltd                                                             | 20000.00               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 20000.00               | 0.00                   | 0.00                   |
| 30 Kotak Mahindra Bank                                                      | 3809.50                | 0.00                   | 0.00                   | 1190.50                | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   |
| 31 Kotak Mahindra Bank                                                      | 1500.00                | 3000.00                | 0.00                   | 1500.00                | 1500.00                | 0.00                   | 3000.00                | 4500.00                | 0.00                   |
| 32 HDFC Bank Ltd                                                            | 0.00                   | 1666.62                | 0.00                   | 0.00                   | 3333.38                | 0.00                   | 0.00                   | 5000.00                | 0.00                   |
| 33 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 0.00                   | 2500.00                | 0.00                   | 0.00                   |
| 34 HDFC Bank Ltd                                                            | 0.00                   | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   |
| 35 ICICI BANK-CTL                                                           | 4350.00                | 5100.00                | 5599.35                | 750.00                 | 559.92                 | 59.92                  | 5100.00                | 5659.92                | 5659.27                |
| Total Secured Loans from Banks                                              | 193961.16              | 119277.81              | 155572.32              | 16523.67               | 41413.21               | 40037.08               | 210484.83              | 160691.02              | 195609.40              |
| From Others                                                                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| 36 L&T Infrastructure Finance Company Limited                               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 3332.91                | 0.00                   | 0.00                   | 3332.91                |
| 37 Aditya Birla Finance Limited                                             | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 2500.14                | 0.00                   | 0.00                   | 2500.14                |
| 38 ILFS Ltd                                                                 | 0.00                   | 0.00                   | 4600.00                | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 4600.00                |
| 39 IFCI LTD.                                                                | 0.00                   | 19642.86               | 25000.00               | 0.00                   | 5357.14                | 0.00                   | 0.00                   | 25000.00               | 25000.00               |
| 40 IFCI LTD.                                                                | 0.00                   | 20000.00               | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 20000.00               | 0.00                   |
| 41 INDO STAR CAPITAL FINANCE LIMITED                                        | 0.00                   | 12477.96               | 16418.37               | 0.00                   | 3415.02                | 0.00                   | 0.00                   | 15892.98               | 16418.37               |
| 42 HDFC Ltd                                                                 | 2833.33                | 1500.00                | 0.00                   | 166.67                 | 0.00                   | 0.00                   | 3000.00                | 1500.00                | 0.00                   |
| 43 HDFC Ltd                                                                 | 0.00                   | 0.00                   | 3753.00                | 4000.00                | 4000.00                | 0.00                   | 4000.00                | 4000.00                | 3753.00                |
| Total Secured Loans from Others                                             | 2833.33                | 53620.82               | 49771.37               | 4166.67                | 12772.16               | 5833.05                | 7000.00                | 66392.98               | 55604.42               |
| Total Secured long term borrowings                                          | 210640.64              | 172898.63              | 205343.69              | 21844.19               | 54185.37               | 45870.13               | 232484.83              | 227084.00              | 251213.82              |
| UNSECURED                                                                   |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| From Banks                                                                  |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| 1 HDFC Bank                                                                 | 0.00                   | 0.00                   | 0.00                   | 2000.00                | 5000.00                | 2000.00                | 2000.00                | 5000.00                | 2000.00                |
| 2 HDFC Bank-Trinetra                                                        | 0.00                   | 0.00                   | 0.00                   | 2700.00                | 1000.00                | 0.00                   | 2700.00                | 1000.00                | 0.00                   |
| 3 HDFC BANK-TCPL                                                            | 0.00                   | 0.00                   | 0.00                   | 1000.00                | 0.00                   | 0.00                   | 1000.00                | 0.00                   | 0.00                   |
| 4 Commercial Papers                                                         | 0.00                   | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   | 5000.00                | 0.00                   | 0.00                   |
| 5 HDFC Bank-CECL                                                            | 0.00                   | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   | 1500.00                | 0.00                   | 0.00                   |
| 6 Bank of India-o/d-ICL Fin Services                                        | 0.00                   | 0.00                   | 0.00                   | 1899.69                | 2099.39                | 0.00                   | 1899.69                | 2099.39                | 0.00                   |
| 7 HDFC Bank-ICL Securities                                                  | 0.00                   | 0.00                   | 0.00                   | 1898.34                | 0.00                   | 0.00                   | 1898.34                | 0.00                   | 0.00                   |
| Total Unsecured Loans from Banks                                            | 0.00                   | 0.00                   | 0.00                   | 15998.03               | 8099.39                | 2000.00                | 15998.03               | 8099.39                | 2000.00                |
| From Others                                                                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| 8 Interest free Sales Tax Deferral Loans                                    | 34508.29               | 39753.59               | 45336.70               | 7087.17                | 6869.21                | 6478.95                | 41595.46               | 46622.80               | 51815.65               |
| 9 Deposits from public                                                      | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 0.00                   | 79.12                  | 0.00                   | 0.00                   | 79.12                  |
| Total Unsecured Loans from Others                                           | 34508.29               | 39753.59               | 45336.70               | 7087.17                | 6869.21                | 6558.07                | 41595.46               | 46622.80               | 51894.77               |
| Total Unsecured Long term Borrowings                                        | 34508.29               | 39753.59               | 45336.70               | 23085.20               | 14968.60               | 8558.07                | 57593.48               | 54722.19               | 53894.77               |
| SECURED                                                                     |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Cash Credit Facilities and other Working Capital Loans from Scheduled Banks | 0.00                   | 0.00                   | 0.00                   | 19957.02               | 47791.49               | 54915.40               | 19957.02               | 47791.49               | 54915.40               |
| Total Long term Liabilities & Current Maturities                            | 245148.93              | 212652.22              | 250680.39              | 64886.41               | 116945.46              | 109343.60              | 310035.35              | 329597.68              | 360023.99              |

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

#### SECURITY CLAUSE

##### (a) Debentures:

- 1 Item (a) (1) The Debentures are secured by way of *pari passu* charge on immovable fixed assets situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.

##### (b) Term Loans:

- 1 Items (b) 2 to 4 were secured on Exclusive First charge on the Immovable and Movable Fixed Assets of Malkapur Cement Plant of the Company, on *pari passu* basis among these loans, exclusively in favour of IDBI Bank Ltd.
- 2 Item (b) 5 was secured by a first *pari passu* charge (with other Lenders/ Debenture Trustees) on the Immovable and Movable Fixed Assets of the company.
- 3 Items (b) 6 to 10 were secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 4 Items (b) 11 & 12 were secured by way of exclusive first charge on the Immovable and Movable Fixed Assets of Chennai and Parli grinding units.
- 5 Item (b) 13 was secured by way of exclusive first charge, on *pari passu* basis among the other loans of ICICI Bank Ltd, on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana and power plant of Sankarnagar.  
Item (b) 20 is secured by way of exclusive first charge, on *pari passu* basis among the other Loans of ICICI bank Ltd, on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana.
- 6 Item (b) 14 was secured on exclusive first charge on the Immovable and Movable Fixed Assets of Malkapur Cement Plant of the Company, on *pari passu* basis among its loans, exclusively in favour of IDBI Bank Ltd.
- 7 Item (b) 15 was secured, by joint equitable mortgage on the Land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 8 Items (b) 16 & 32 were secured, on first charge basis, exclusive on 30-03-2016 & Joint on 31-03-2015, by equitable mortgage on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 9 Items (b) 17 & 19 were secured by way of first and exclusive charge on respective vehicle(s) / equipment(s).
- 10 Items (b) 21 and 22 are secured by way of first *pari passu* charge, on the immovable and movable fixed assets of Cement Plant and Thermal power plant of Vishnupuram, Telangana and Immovable and Movable Fixed Assets of the cement grinding unit located at Vallur Village, Ponneri Taluk, Tamil Nadu.
- 11 Items (b) 23 to 27 are secured on first *pari passu* charge on the Immovable and Movable Fixed Assets of Cement Plant & Thermal Power Plant at Sankarnagar and Cement Plant at Malkapur.
- 12 Item (b) 28 is secured on exclusive first charge on the Immovable and Movable Fixed Assets of Banswara Cement Plant.
- 13 Item (b) 29 is secured on exclusive first charge on the Immovable and Movable Fixed Assets of Chilamkur Cement Plant of the Company.
- 14 Items (b) 30 & 31 are secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 15 Items (b) 33 & 34 are secured by way of *pari passu* charge on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 16 Item (b) 35 is secured by an exclusive charge / mortgage over the aircraft Falcon-2000 Ex Easy Aircraft Including all engines, parts, APU and Aircraft Documents
- 17 Item (b) 18 was secured by first equitable mortgage on *pari passu* basis of the immovable properties of the Company situated at Valantharavai, Ramanathapuram Taluk, Tamilnadu. They are also secured by first charge by way of hypothecation of the movable properties of the Company, present and future, subject to prior charge created / to be created in favour of the company's Bankers for Working capital facilities.
- 18 Items 36 & 37 were secured by way of novated rights over the hypothecation of immovable and movable fixed assets of Chennai and Parli Grinding Units.
- 19 Items (b) 39 & 40 were secured on exclusive first charge on the Immovable and Movable Fixed Assets of Sankarnagar Cement Plant (excluding the Thermal Power Plant) and Chilamkur Cement Plant of the Company.
- 20 Item (b) 41 represents the loan availed by the amalgamating Company viz., Trinetra Cement Limited (TCL) from Indostar Capital Finance Limited, that was secured by hypothecation of TCL's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of TCL's Bankers for securing the working capital facilities and further secured by a first *pari passu* charge on all the fixed assets of the Cement Plant and Thermal Power Plant, at Banswara, Rajasthan, pledge of shares held by promoters and Corporate Guarantee from the Company.
- 21 Item (b) 42 is secured by first equitable mortgage on *pari passu* basis of the immovable properties of the Company situated at Valantharavai, Ramanathapuram Taluk, Tamilnadu. They are also secured by first charge by way of hypothecation of the movable properties of the Company, present and future, subject to prior charge created / to be created in favour of the company's Bankers for Working capital facilities.
- 22 Item (b) 38 was secured by pledge of 8500000 Equity Shares of The India Cements Limited held by a Company
- 23 Item (b) 43 was secured by charge on the land situated at Naranammalpuram Village & Corporate Guarantee given by the Company.
- 24 The Working Capital Facilities availed by the Company, are secured by First *Pari Passu* Charge on the Current Assets and by Second Charge on the immovable and movable properties (other than Current Assets), ranking after the charges created / to be created in favour of the Term Lenders, pertaining to Cement business of the Company.



# CONSOLIDATED ACCOUNTS

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |                                                                                                                                                  | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|
| 40.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | 40.6                                                                                                                                             |                        |                        |                        |
| Estimated amounts of contracts for Capital Expenditure and Commitments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 4168.63                | 4294.77                | 2697.85                | (a) Raw Materials consumed:                                                                                                                      |                        |                        |                        |
| 40.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | Own Quarrying includes:                                                                                                                          |                        |                        |                        |
| Monies for which the Company is contingently liable:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | (i) Salaries & Wages                                                                                                                             | 2328.62                | 2161.40                |                        |
| a. Outstanding Letters of Credit opened by Bankers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 4202.64                | 2826.90                | 4148.26                | (ii) Stores Consumed                                                                                                                             | 3456.74                | 3299.60                |                        |
| b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 37611.05               | 55098.97               | 54765.88               | (iii) Royalty                                                                                                                                    | 11425.74               | 9516.03                |                        |
| c. Unpaid demands under dispute                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | (b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance. | 21912.01               | 19201.49               |                        |
| i) Central Excise & Service Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 26715.06               | 26828.06               | 23247.19               | 40.7 Repairs and Maintenance includes Stores & Spares.                                                                                           | 6640.03                | 6125.27                |                        |
| ii) Sales Tax and Value Added Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2207.68                | 2160.23                | 2540.70                | 40.8 Detailed quantitative information of goods manufactured during the Report Period:                                                           |                        |                        |                        |
| iii) Customs Duty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 7593.70                | 6180.96                | 4752.33                | 1. CEMENT:                                                                                                                                       |                        |                        |                        |
| iv) Income Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 12167.55               | 5413.75                | 8613.71                | (a) Sales - Value of Cement                                                                                                                      | 553771.09              | 518470.91              |                        |
| The above includes Contingent liability pertaining to Raasi Cement Ltd. (Residuary Co.) for Sales Tax, Income tax and Central Excise aggregating to Rs.2,249.46 Lakhs (Previous Year Rs.2,249.46 Lakhs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                        |                        |                        | Value of Clinker                                                                                                                                 | 5109.37                | 5509.17                |                        |
| d. Amount paid towards disputed CENVAT / Sales Tax Claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 761.60                 | 707.39                 | 1040.31                | Value of White Cement                                                                                                                            | 549.00                 | 99.00                  |                        |
| e. Contingent Liability on account of Show cause Notices issued by Excise & other tax authorities (other than (c) & (d) mentioned above)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 21224.74               | 20631.39               | 15313.94               | 559429.46                                                                                                                                        | 524079.08              |                        |                        |
| f. Other claims against the Company not acknowledged as Debts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 26951.76               | 31338.74               | 30695.64               | (b) Sales - Value of Ready Mix Concrete                                                                                                          | 10131.79               | 10436.36               |                        |
| g. The Competition Commission of India (CCI) imposed a penalty of Rs.187.48 Crores on the company (as well as other Companies) based on a complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Company appealed against the Order before the Competition Appellate Tribunal (COMPAT) which while staying the operation of the Order, directed the Company to deposit 10% of the penalty as a condition for admitting the Appeal. Accordingly an amount of Rs.18.75 Crores was deposited with the COMPAT on 17-12-2016. The matter is pending with COMPAT. Based on Legal advise, No provision has been considered necessary in the Financial Statements. |                        |                        |                        | 2. CALCIUM CARBIDE:                                                                                                                              |                        |                        |                        |
| 40.3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | Sale Value                                                                                                                                       | Nil                    | Nil                    |                        |
| Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 11.13                  | 11.13                  | 11.13                  | 3. TEXTILES:                                                                                                                                     |                        |                        |                        |
| 40.4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | (a) Sales - Value Home Textiles                                                                                                                  | 6.38                   | 6.04                   |                        |
| As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.                                                                                                                                                                                                     |                        |                        |                        | (b) Sales - Value Non Textiles                                                                                                                   | 23.61                  | 34.28                  |                        |
| 40.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | 4. ELECTRICITY:                                                                                                                                  |                        |                        |                        |
| Note on PMLA:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                        |                        | Sale Value                                                                                                                                       | 8302.40                | 8596.45                |                        |
| The Authorities have issued an attachment notice under the Prevention of Money Laundering Act, 2002 (PMLA) attaching certain assets of the company for an aggregate value of Rs. 120.34 Crores. The Company filed an appeal against the order of the adjudicating authority specified under PMLA. The matter is currently sub judice.                                                                                                                                                                                                                                                                                                                                                                       |                        |                        |                        | 40.9                                                                                                                                             |                        |                        |                        |
| Details of Assets given below:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        |                        | Expenditure in Foreign Currency (on accrual basis):                                                                                              |                        |                        |                        |
| a) 886 Sq yards plot with 8000 sq.ft building - Punjagutta, Somajiguda circle, Hyderabad                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 82.44                  |                        |                        | Consultancy Fee                                                                                                                                  | 146.72                 | 104.60                 |                        |
| b) 245.86 Acres of Land-Konauppalapadu Village, Yadki Mandal, Anantapur Dist.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 416.10                 |                        |                        | Travel Expenses and Others                                                                                                                       | 448.48                 | 233.54                 |                        |
| c) 10,00,000 9% Non-Convertible Cumulative Redeemable Preference Shares in Trinetra Cement Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1000.00                |                        |                        | 40.10                                                                                                                                            |                        |                        |                        |
| d) 20,32,260 Convertible Debentures of Coromandel Sugars Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2032.26                |                        |                        | Details of Raw Materials consumed:                                                                                                               |                        |                        |                        |
| e) 86,67,097 9% Non-Convertible Non-Cumulative Redeemable Preference Shares in Trinetra Cement Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 8667.10                |                        |                        | Quantity in Tonnes:                                                                                                                              |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Limestone                                                                                                                                        | 11224598               | 10389549               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Gypsum                                                                                                                                           | 890938                 | 620568                 |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Others                                                                                                                                           | 3631350                | 2631172                |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Value: Limestone                                                                                                                                 | 38221.27               | 38085.52               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Gypsum                                                                                                                                           | 10414.61               | 8336.40                |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Others                                                                                                                                           | 35087.84               | 33898.87               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Freight on Inter Unit                                                                                                                            |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Transfer of Clinker                                                                                                                              | 5841.71                | 5390.92                |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Total                                                                                                                                            | 89565.43               | 85711.71               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | 40.11                                                                                                                                            |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Auditors Remuneration:                                                                                                                           |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | (a) Statutory Auditors:                                                                                                                          |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Audit fees                                                                                                                                       | 110.17                 | 89.26                  | 89.11                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Tax Audit fees                                                                                                                                   | 11.52                  | 25.68                  | 0.67                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Fees for Other Services                                                                                                                          | 13.84                  | 19.79                  | 8.11                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Expenses reimbursed                                                                                                                              | 18.29                  | 16.35                  | 9.81                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | (b) Cost Auditors:                                                                                                                               |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Audit Fees                                                                                                                                       | 17.15                  | 16.00                  | 12.12                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Fees for Other Services                                                                                                                          | 0.00                   | 0.00                   | 0.00                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Expenses reimbursed                                                                                                                              | 0.00                   | 0.00                   | 0.00                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | 40.12                                                                                                                                            |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Earnings Per Share                                                                                                                               |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Profit / (Loss) for the year                                                                                                                     | 15754.49               | 11777.29               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Other Comprehensive Income for the year                                                                                                          | 552.69                 | (222.63)               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Total Comprehensive Income for the year                                                                                                          | 16307.18               | 11593.22               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Weighted average no. of ordinary shares for Basic & Diluted EPS                                                                                  | 308153140              | 308153140              |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Basic and Diluted Earning per Ordinary Share on Profit and Loss                                                                                  | 5.11                   | 3.82                   |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Basic and Diluted Earning per Ordinary Share on Other Comprehensive Income                                                                       | 0.18                   | (0.07)                 |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                        | Basic and Diluted Earning per Ordinary Share on Total Comprehensive Income                                                                       | 5.29                   | 3.76                   |                        |

# **CONSOLIDATED ACCOUNTS** **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

## 40.13 Related Party Disclosures:

### **A. Names of the related parties and the nature of the relationship:**

- (i) Associate Companies:  
Raasi Cement Limited  
Coromandel Sugars Limited  
India Cements Capital Limited  
Unique Receivable Management Pvt. Limited
- (ii) Key Managerial Personnel (KMP):  
Sri N. Srinivasan - Vice Chairman & Managing Director  
Smt. Rupa Gurunath - Wholetime Director  
Sri G. Balakrishnan - Senior President & Company Secretary (upto 31.3.2016)  
Sri R. Srinivasan - Executive President (Finance & Accounts), Chief Financial Officer  
Sri S. Sridharan - Sr. Vice President & Company Secretary (with effect from 01.04.2016)
- (iii) Post employment benefit plan trust  
India Cements Gratuity Fund  
The India Cements PF Employees Provident Fund,Chilamkur  
The India Cements PF Employees Provident Fund,Yerraguntla  
There are no other transactions with any other KMP.
- (iv) Relative of KMP, having transactions with the Company:  
Smt. Chitra Srinivasan - Director
- (v) Relative of a Director, having transactions with the Company:  
Sri S. Anand - Senior Deputy General Manager (Marketing) (Upto 17.06.2016)

|  | 31-03-2017 | 31-03-2016 | 01-04-2015 |
|--|------------|------------|------------|
|  | Rs.Lakhs   | Rs.Lakhs   | Rs.Lakhs   |

### **B. Transactions with Associate Companies during the year:**

#### Associates:

- |                                                                                         |                |                |  |
|-----------------------------------------------------------------------------------------|----------------|----------------|--|
| 1. Sale of Goods:                                                                       |                |                |  |
| Coromandel Sugars Limited                                                               | 5,941.44       |                |  |
| 2. Receiving of Services:                                                               |                |                |  |
| India Cements Capital Limited                                                           | 259.11         | 250.80         |  |
| India Cements Capital Limited -<br>(Travels Division - Coromandel Travels)              | 3.95           | 23.19          |  |
|                                                                                         | <u>263.06</u>  | <u>273.99</u>  |  |
| 3. Interest on Advances:                                                                |                |                |  |
| India Cements Capital Limited                                                           | 214.56         | 201.29         |  |
| Coromandel Sugars Limited                                                               | 86.11          | 6.61           |  |
|                                                                                         | <u>300.67</u>  | <u>207.90</u>  |  |
| 4. Remuneration to KMP:                                                                 |                |                |  |
| Sri N.Srinivasan - Vice Chairman<br>& Managing Director                                 | 1315.33        | 887.14         |  |
| Smt.Rupa Gurunath - Wholetime Director                                                  | 441.75         | 365.26         |  |
| Sri G.Balakrishnan - Senior<br>President & Company Secretary                            | 0.00           | 132.19         |  |
| Sri R.Srinivasan - Executive President<br>(Finance & Accounts), Chief Financial Officer | 43.02          | 271.18         |  |
| Sri S. Sridharan - Senior<br>Vice President & Company Secretary                         | 30.79          | 0.00           |  |
|                                                                                         | <u>1830.89</u> | <u>1655.77</u> |  |

Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

|                                                    |                |                |
|----------------------------------------------------|----------------|----------------|
| Short Term benefits                                | 1608.36        | 1496.15        |
| Defined Contribution Plan                          | 222.53         | 159.63         |
| Defined Benefit Plan /<br>Other Long-term Benefits | 0.00           | 0.00           |
| Total                                              | <u>1830.89</u> | <u>1655.77</u> |

- |                                                             |      |       |
|-------------------------------------------------------------|------|-------|
| 5. Directors' Sitting Fee to relative of KMP:               |      |       |
| Smt.Chitra Srinivasan - Director                            | 1.00 | 1.40  |
| 6. Receiving of Services - Relative of a Director:          |      |       |
| Sri S. Anand - Senior Deputy<br>General Manager (Marketing) | 0.00 | 26.23 |

- |                                                                                          |             |             |
|------------------------------------------------------------------------------------------|-------------|-------------|
| 7. Dividends paid to KMP                                                                 |             |             |
| Sri N. Srinivasan - Vice Chairman<br>& Managing Director                                 | 6.34        | 0.00        |
| Smt. Rupa Gurunath - Whole Time Director                                                 | 0.36        | 0.00        |
| Sri G. Balakrishnan - Senior<br>President & Company Secretary                            | 0.79        | 0.00        |
| Sri R. Srinivasan - Executive President<br>(Finance & Accounts), Chief Financial Officer | 0.25        | 0.00        |
| Sri S. Sridharan - Sr. Vice<br>President & Company Secretary                             | 0.13        | 0.00        |
|                                                                                          | <u>7.87</u> | <u>0.00</u> |

- |                                                           |         |        |
|-----------------------------------------------------------|---------|--------|
| 8. Contributions to Post employment benefit plan trust:   |         |        |
| India Cements Gratuity Fund                               | 1830.41 | 870.71 |
| The India Cements Employees<br>Provident Fund,Chilamkur   | 63.67   | 61.99  |
| The India Cements Employees<br>Provident Fund,Yerraguntla | 37.62   | 34.74  |

### **C. a. Outstanding Balances at the year end:**

- |                                                                |           |           |           |
|----------------------------------------------------------------|-----------|-----------|-----------|
| 1. Loans and Advances:                                         |           |           |           |
| Coromandel Sugars Limited                                      | 5206.14   | 124.17    | 33.21     |
| India Cements Capital Limited                                  | 338.82    | 2383.51   | 2257.13   |
| 2. Receivables / Payables:                                     |           |           |           |
| Coromandel Travels Limited                                     | 0.00      | (131.83)  | 205.65    |
| 3. Deposit:                                                    |           |           |           |
| Coromandel Travels Limited                                     | 0.00      | 6500.00   | 6000.00   |
| 4. Outstanding balances in Post employment benefit plan trust: |           |           |           |
| India Cements Gratuity Fund                                    | (6654.12) | (5403.12) | (4788.55) |
| The India Cements Employees Provident<br>Fund, Chilamkur       | (24.94)   | (24.44)   | (23.58)   |
| The India Cements Employees Provident<br>Fund,Yerraguntla      | (13.25)   | (11.82)   | (11.93)   |
| b. Maximum Balance during the year:                            |           |           |           |
| Coromandel Sugars Limited                                      | 5206.14   | 124.17    | 3625.49   |
| India Cements Capital Limited                                  | 338.82    | 2383.51   | 2257.13   |
| c. Rate of Interest:                                           |           |           |           |
| Coromandel Sugars Limited                                      | 9%        | 9%        | 9%        |
| India Cements Capital Limited                                  | 9%        | 9%        | 9%        |

#### Notes:

- Loans to Employees as per Company's policy are not considered.
- None of the Loanes / Loanee Subsidiaries have per se made any investment in the shares of the Company. Pursuant to the scheme of Amalgamation approved by the Honourable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited. [Visaka] . As per the said Order 400 lakh shares of the Company have been allotted in aggregate, to the subsidiaries (199.54 lakh shares) and other loanes (200.46 lakh shares) in exchange for their shares of Visaka and the same are held in a Trust on their behalf.

|  | 31-03-2017 | 31-03-2016 | 01-04-2015 |
|--|------------|------------|------------|
|  | Rs.Lakhs   | Rs.Lakhs   | Rs.Lakhs   |

### **D. Guarantee / Securities given to Group Companies:**

- |                            |          |          |         |
|----------------------------|----------|----------|---------|
| Guarantees issued:         |          |          |         |
| Coromandel Sugars Limited  | 19300.00 | 19300.00 | 9500.00 |
| Coromandel Travels Limited | 9000.00  | 9000.00  | 9000.00 |

## 40.14 Leases:

- Operating Lease: Company as Lessee:  
The Company has entered into certain Non-Cancellable Operating Lease agreements
- |                                                             |        |     |
|-------------------------------------------------------------|--------|-----|
| Lease rentals charged during the year                       | 59.17  | Nil |
| Future Minimum lease payments under Non-Cancellable Leases: |        |     |
| Not later than one year                                     | 197.34 | Nil |
| Later than one year and not later than 3 Years              | 328.90 | Nil |
| Later than 3 Years                                          | Nil    | Nil |



# **CONSOLIDATED ACCOUNTS** **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |                                                                                                                                                                                             | 31-03-2017<br>Rs.Lakhs | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|
| 40.15 I Movement in Provisions:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | <b>A. Capital Management:</b>                                                                                                                                                               |                        |                        |                        |
| Trade Receivables                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                        |                        |                        | Long Term Debt                                                                                                                                                                              | 245148.92              | 212652.22              |                        |
| (a) Balance as on 01/04/2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1971.08                | 1774.38                |                        | Less: Cash Equivalent                                                                                                                                                                       | 3798.27                | 3611.09                |                        |
| (b) Additional Provision made during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 123.16                 | 196.70                 |                        | Net Debt                                                                                                                                                                                    | 241350.65              | 209041.13              |                        |
| (c) Provision reversed / utilised during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Nil                    | Nil                    |                        | Total Equity                                                                                                                                                                                | 521048.08              | 507679.42              |                        |
| (d) Balance as on 31/03/2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2094.24                | 1971.08                |                        | Net Debt to Equity Ratio                                                                                                                                                                    | 0.46                   | 0.41                   |                        |
| II Distribution made and proposed (Ind AS-1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                        |                        |                        | <b>B. Interest Rate Risk:</b>                                                                                                                                                               |                        |                        |                        |
| Cash dividend on equity shares:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Sensitivity Analysis:                                                                                                                                                                       |                        |                        |                        |
| Final dividend proposed for the year ended March 31, 2017 : Re 1/- per share (March 31, 2016: Rs.3071.78 Lakhs declared and paid)                                                                                                                                                                                                                                                                                                                                                                                    | 3081.52                | 3071.78                | 0.00                   | An increase of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments will increase / decrease PAT for the year by amount shown below: |                        |                        |                        |
| DDT on final dividend                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 627.33                 | 624.13                 | 0.00                   | Long-Term interest bearing Borrowing                                                                                                                                                        | 196794.48              | 172898.63              |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3708.85                | 3695.91                | 0.00                   | Interest incidence on above                                                                                                                                                                 | 21551.25               | 20950.57               |                        |
| Proposed dividends on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability (including dividend distribution tax thereon) as at March 31.                                                                                                                                                                                                                                                                                                                        |                        |                        |                        | Average Interest Rate                                                                                                                                                                       | 10.95%                 | 12.12%                 |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Impact of Increase in interest by 100 basis points                                                                                                                                          | 1967.94                | 1728.99                |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Impact of Decrease in interest by 100 basis points                                                                                                                                          | (1967.94)              | (1728.99)              |                        |
| 40.16 Disclosure pursuant to Ind AS-11 - "Construction Contracts"                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                        |                        |                        | <b>C. Company's Foreign Currency Exposure:</b>                                                                                                                                              |                        |                        |                        |
| Amount of contract revenue recognised as revenue during the period                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 3712.95                | 1812.15                |                        | Hedged Foreign Currency Exposure:                                                                                                                                                           |                        |                        |                        |
| <b>Details regarding Contracts in progress:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | External Commercial Borrowing - USD 30 Million @Rs.52.29 per USD [Previous Year USD 40 Million @Rs.52.29 per USD ]                                                                          | 15687.00               | 20916.00               |                        |
| Aggregate amount of costs incurred & recognised profits (less recognised Losses)                                                                                                                                                                                                                                                                                                                                                                                                                                     | 6115.31                | 6160.77                |                        | Trade Payable - USD 22.64 Million @Rs.66.34 per USD [Previous Year USD 19.86 Million @ 67.40 Per USD ]                                                                                      | 15019.21               | 13387.07               |                        |
| Amount of customer advances outstanding for contracts in progress                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 594.13                 | 1147.89                |                        | Unhedged Foreign Currency :                                                                                                                                                                 |                        |                        |                        |
| Retention amount due from customers for contracts in progress                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 393.18                 | 510.26                 |                        | Trade payable                                                                                                                                                                               |                        |                        |                        |
| Gross amount due from customers for contract works as an asset                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1136.30                | 950.15                 |                        | USD 5.15 Million @Rs.66.21 per USD [Previous Year USD 1.92 Million @Rs.66.26 per USD ]                                                                                                      | 3411.19                | 1272.94                |                        |
| Gross amount due to customers for contract works as a liability                                                                                                                                                                                                                                                                                                                                                                                                                                                      | (142.67)               | (212.92)               |                        | Trade receivable                                                                                                                                                                            |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | USD 2.64 Million @Rs.66.71 per USD [Previous Year USD 2.64 Million @Rs.66.91 per USD ]                                                                                                      | 1759.94                | 938.30                 |                        |
| 40.17 I Reconciliation between IGAAP and Ind AS                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | <b>Sensitivity Analysis:</b>                                                                                                                                                                |                        |                        |                        |
| Fair Valuation of Property Plant and Equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 286508.98              |                        |                        | Foreing Currency Sensitivity on Unhedged Exposure:                                                                                                                                          |                        |                        |                        |
| Less: Increase in Deferred Tax Liability - as on 01.04.2015                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (11214.70)             |                        |                        | 1% increase in foreign exchange rates will have the following impact on profit before tax                                                                                                   |                        |                        |                        |
| Less: Provision for Mines Restoration Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (9500.00)              |                        |                        | US Dollars                                                                                                                                                                                  | (34.11)                | (12.73)                |                        |
| Less: Provision for Expected Credit Losses                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (24417.39)             |                        |                        | Note:If the rate is decreased by 100 bps profit will increase by an equal amount.                                                                                                           |                        |                        |                        |
| Less: Provision for Diminution in Value of Investments                                                                                                                                                                                                                                                                                                                                                                                                                                                               | (1940.85)              |                        |                        | <b>D. Liquidity Risk:</b>                                                                                                                                                                   |                        |                        |                        |
| Less: Goodwill arising on account of Merger set off                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | (1922.00)              |                        |                        | Borrowings - Variable Interest Rate                                                                                                                                                         |                        |                        |                        |
| Less: Contingencies and Provisions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (3160.00)              |                        |                        | Less than 1 Year                                                                                                                                                                            | 20459.88               | 56600.20               |                        |
| Less: Foreign exchange translation Reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (894.78)               |                        |                        | 1 to 5 Years                                                                                                                                                                                | 106970.42              | 154459.46              |                        |
| Ind AS Transition Reserve (as per Note no. 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 233459.26              |                        |                        | More than 5 Years                                                                                                                                                                           | 89824.08               | 0.00                   |                        |
| II Financial Risk Management Objectives and Policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                        |                        |                        |                                                                                                                                                                                             | 217254.38              | 211059.66              |                        |
| The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.                                                                                                          |                        |                        |                        | <b>Borrowings - Fixed Interest Rate</b>                                                                                                                                                     |                        |                        |                        |
| The Company's activities exposes it to various risk including market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps that are entered into, to hedge foreign currency risk exposure. |                        |                        |                        | Less than 1 Year                                                                                                                                                                            | 17382.33               | 11233.99               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | 1 to 5 Years                                                                                                                                                                                | 13846.15               | 12889.02               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | More than 5 Years                                                                                                                                                                           | 0.00                   | 0.00                   |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        |                                                                                                                                                                                             | 31228.48               | 24123.01               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | <b>Borrowings - Zero Interest Rate</b>                                                                                                                                                      |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Less than 1 Year                                                                                                                                                                            | 7087.18                | 11999.65               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | 1 to 5 Years                                                                                                                                                                                | 17386.32               | 17191.55               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | More than 5 Years                                                                                                                                                                           | 17121.92               | 17431.52               |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        |                                                                                                                                                                                             | 41595.42               | 46622.72               |                        |
| 40.18 Disclosure on Specified Bank Notes:                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                        |                        |                        |                                                                                                                                                                                             |                        |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Closing Cash in Hand as on 08/11/2016                                                                                                                                                       | 52.48                  |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Add: Permitted receipts                                                                                                                                                                     | 0.00                   |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Add: Non - Permitted receipts                                                                                                                                                               | 41.40                  |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Less: Permitted payments                                                                                                                                                                    | 0.28                   |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Less: Non - Permitted payments                                                                                                                                                              | 14.36                  |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Less: Amount deposited in Banks                                                                                                                                                             | 79.24                  |                        |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |                        | Closing Cash in Hand as on 30/12/2016                                                                                                                                                       | 0.00                   |                        |                        |

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)

#### 40.19 Employee Benefits:

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Ind AS 19 (previously AS15) issued by ICAI, are as under:

##### (a) Contribution to Pension Funds:

The Company offers pension plans for managerial grade employees and whole time Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @7.00% p.a., under the Defined Benefit Plans as at 31<sup>st</sup> March 2017, are Rs.6,436.55 Lakhs (as at 31<sup>st</sup> March 2016, are Rs.5,579.82 Lakhs) as per the details given below:

|                                                                        | 31-03-2017<br>Rs.Lakhs                                                           | 31-03-2016<br>Rs.Lakhs | 01-04-2015<br>Rs.Lakhs |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------|------------------------|
| Defined Benefit Scheme                                                 |                                                                                  |                        |                        |
| Opening Balance as per actuarial valuation                             | 5579.82                                                                          | 5741.77                |                        |
| Less: Settlements during the year                                      | 1089.62                                                                          | 1776.04                |                        |
| Sub-total                                                              | 4490.20                                                                          | 3965.73                |                        |
| Add: Provision created during the year                                 | 1946.35                                                                          | 1614.09                |                        |
| Closing Balance as on 31 <sup>st</sup> March                           | 6436.55                                                                          | 5579.82                |                        |
| Assumptions:                                                           |                                                                                  |                        |                        |
| Discount rate                                                          | 7.00%                                                                            | 7.75%                  |                        |
| Salary escalation rate                                                 | 2.00%                                                                            | 2.00%                  |                        |
| Average Age                                                            | 51.68 yrs.                                                                       | 51.32 yrs.             |                        |
| Average accrued service                                                | 21.33 yrs.                                                                       | 20.48 yrs.             |                        |
| Actuarial Valuation differences included in other Comprehensive Income | (18.91)                                                                          |                        |                        |
| Annuity rates for pension computation                                  | Rates applicable for 15 years certain and life thereafter, with return of corpus |                        |                        |

|                                                                  |        |        |
|------------------------------------------------------------------|--------|--------|
| Amount charged to the statement of Profit & Loss during the year | 374.49 | 515.94 |
|------------------------------------------------------------------|--------|--------|

##### (b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Ind AS19 (Accounting Standard 15). The total amount of provision available for the unavailed leave balances as at 31<sup>st</sup> March 2017 is Rs.8109.80 Lakhs (as at 31<sup>st</sup> March 2016: Rs.6595.33 Lakhs). Liability has been created based on actuarial valuation done during the year, with the Discount rate of 7.00%. Actuarial Valuation differences included in Other Comprehensive Income Rs.697.69 Lakhs.

##### (c) Gratuity:

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of Contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.

|                                              |         |         |
|----------------------------------------------|---------|---------|
| Opening Balance as per actuarial valuation   | 6257.55 | 5929.97 |
| Add: Interest income during the year         | 54.55   | 81.67   |
| Less: Settlements during the year            | 863.53  | 646.79  |
| Sub-Total                                    | 5448.58 | 5364.85 |
| Add: Provisions created during the year      | 1831.21 | 888.94  |
| Closing balance as on 31 <sup>st</sup> March | 7279.79 | 6253.79 |

##### Assumptions:

|                                                                        |            |            |
|------------------------------------------------------------------------|------------|------------|
| Discount rate                                                          | 7.00% P.a  | 7.75% P.a  |
| Salary escalation rate                                                 | 2.00% P.a  | 2.00% P.a  |
| Average Age                                                            | 46.19 yrs. | 45.07 yrs. |
| Average accrued service                                                | 18.51 yrs. | 17.02 yrs. |
| Actuarial Valuation differences included in other Comprehensive Income | 157.87     |            |

#### 40.20 Note on Waste Heat Recovery Project:

The Company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

#### 40.21 Consolidation method adopted:

The Consolidated Financial Statements (CFS) have been prepared in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS 110), "Investments in associates and joint ventures" (Ind AS 28), and "Disclosure of Interest in other entities" (Ind AS 112), Specified under Section 133 of the Companies Act, 2013.

|                                            | 31-03-2017<br>% of Ownership                    | 31-03-2016<br>% of Ownership                    | 01-04-2015<br>% of Ownership                    |
|--------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Name of the Subsidiary Company             |                                                 |                                                 |                                                 |
| ICL Securities Ltd.                        | 100.00                                          | 100.00                                          | 100.00                                          |
| ICL Financial Services Ltd.                | 100.00                                          | 100.00                                          | 100.00                                          |
| ICL International Ltd.                     | 100.00                                          | 100.00                                          | 100.00                                          |
| Industrial Chemicals & Monomers Ltd.       | 98.59                                           | 98.59                                           | 98.59                                           |
| PT Coromandel Mineral Resources, Indonesia | 100.00                                          | 100.00                                          | 100.00                                          |
| Coromandel Mineral Pte Ltd., Singapore     | 100.00                                          | 100.00                                          | 100.00                                          |
| Coromandel Electric Company Ltd.           | 58.57                                           | 57.86                                           | 68.57                                           |
| India Cements Infrastructures Ltd.         | 100.00                                          | 100.00                                          | 100.00                                          |
| Coromandel Travels Ltd.                    | 98.50                                           | 0.00                                            | 0.00                                            |
| Name of the Associate Company              |                                                 |                                                 |                                                 |
|                                            | % of Ownership Directly or Through Subsidiaries | % of Ownership Directly or Through Subsidiaries | % of Ownership Directly or Through Subsidiaries |
| Raasi Cement Limited                       | 28.94                                           | 28.94                                           | 28.94                                           |
| Coromandel Sugars Ltd.                     | 49.99                                           | 49.99                                           | 49.99                                           |
| India Cements Capital Ltd.                 | 47.91                                           | 47.91                                           | 47.91                                           |
| Unique Receivable Management Pvt. Ltd.     | 49.20                                           | 49.20                                           | 49.20                                           |
| Coromandel Travels Ltd.                    | 0.00                                            | 49.50                                           | 49.50                                           |

| Name of the Entity in the Group              | Net Assets ie Total Assets minus | Share in Profit or Loss            | Share in Other Comprehensive Income | Share in Total Comprehensive Income |
|----------------------------------------------|----------------------------------|------------------------------------|-------------------------------------|-------------------------------------|
|                                              | As % of Consolidated Net Assets  | Amount (Rs. in Consolidated lakhs) | As % of Consolidated OCI            | Amount (Rs. in lakhs)               |
| The India Cements Ltd                        | 95.82                            | 511382.86                          | 102.00                              | 26602.34                            |
|                                              |                                  |                                    |                                     | -45.42                              |
|                                              |                                  |                                    |                                     | -547.11                             |
|                                              |                                  |                                    |                                     | 97.18                               |
|                                              |                                  |                                    |                                     | 17180.26                            |
| Subsidiaries                                 |                                  |                                    |                                     |                                     |
| Indian                                       |                                  |                                    |                                     |                                     |
| 1. Industrial Chemicals and Monomers Limited | 2.69                             | 14350.01                           | -0.10                               | -27.17                              |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | -0.15                               |
|                                              |                                  |                                    |                                     | -27.17                              |
| 2. ICL Financial Services Limited            | -0.30                            | -1612.91                           | 0.37                                | 97.59                               |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0.55                                |
|                                              |                                  |                                    |                                     | 97.59                               |
| 3. ICL Securities Limited                    | 0.20                             | 1084.55                            | 0.38                                | 99.4                                |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0.56                                |
|                                              |                                  |                                    |                                     | 99.4                                |
| 4. ICL International Limited                 | -0.57                            | -3023.41                           | -0.54                               | -141.49                             |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | -0.8                                |
|                                              |                                  |                                    |                                     | -141.59                             |
| 5. Coromandel Electric Ltd                   | 1.83                             | 9783.98                            | 9.77                                | 2549.29                             |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 10.27                               |
|                                              |                                  |                                    |                                     | 1816.44                             |
| 6. India Cements Infrastructures Ltd         | -0.24                            | -1283.26                           | -3.54                               | -923.7                              |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | -5.23                               |
|                                              |                                  |                                    |                                     | -923.7                              |
| 7. Coromandel Travels Limited (CTL)          | -1.02                            | -5431.85                           | -7.69                               | -2006.04                            |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | 0                                   |
|                                              |                                  |                                    |                                     | -11.35                              |
|                                              |                                  |                                    |                                     | -2006.04                            |
| Foreign                                      |                                  |                                    |                                     |                                     |
| 1. PT Coromandel Minerals Resources          | -0.33                            | -1756.50                           | -0.63                               | -164.72                             |
|                                              |                                  |                                    |                                     | 2.76                                |
|                                              |                                  |                                    |                                     | 33.2                                |
|                                              |                                  |                                    |                                     | -0.74                               |
|                                              |                                  |                                    |                                     | -131.52                             |
| 2. Coromandel Minerals- Singapore            | 1.92                             | 10223.41                           | -0.01                               | -3.66                               |
|                                              |                                  |                                    |                                     | 142.67                              |
|                                              |                                  |                                    |                                     | 1718.43                             |
|                                              |                                  |                                    |                                     | 9.7                                 |
|                                              |                                  |                                    |                                     | 1714.77                             |
| Non Controlling Interest in all Subsidiaries |                                  |                                    |                                     |                                     |

# **CONSOLIDATED ACCOUNTS** **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2017 (Contd.)**

## III Disclosure of Interest in Subsidiary

| Name of the entity                                                       | 31/03/2017<br>Rs. Lakhs          | 31/03/2016<br>Rs. Lakhs                    | 31/03/2015<br>Rs. Lakhs |
|--------------------------------------------------------------------------|----------------------------------|--------------------------------------------|-------------------------|
| Place of business / Country of Incorporation                             | Principal activities of Business |                                            |                         |
| Coromandel Electric Co. Ltd.                                             | India                            | Generation of electricity from Natural Gas |                         |
| Ownership interest held by the Group                                     | 58.57                            | 57.86                                      | 68.57                   |
| Non-controlling Interest (NCI)                                           | 41.43                            | 42.14                                      | 31.43                   |
| Non-controlling Interest (NCI)                                           |                                  |                                            |                         |
| Accumulated balances of NCI                                              | 3,557.77                         | 2,655.70                                   | 2,431.07                |
| Profit allocated to NCI                                                  | 752.53                           | 218.54                                     | 213.79                  |
| Dividend paid to NCI                                                     | Nil                              | 1.17                                       | 9.45                    |
| The summarised separate financial information of subsidiary is as below: |                                  |                                            |                         |
| Balance Sheet                                                            |                                  |                                            |                         |
| Non-current assets                                                       | 6516.54                          | 6372.87                                    | 5846.04                 |
| Current assets                                                           | 10307.16                         | 6717.15                                    | 5604.51                 |
| Total assets                                                             | 16823.70                         | 13090.02                                   | 11450.55                |
| Non-Current Liabilities                                                  | 3543.11                          | 2244.82                                    | 743.11                  |
| Current Liabilities                                                      | 3496.58                          | 2877.64                                    | 3228.26                 |
| Total Liabilities                                                        | 7039.69                          | 5122.46                                    | 3971.37                 |
| Total Equity                                                             | 9784.01                          | 7967.57                                    | 7479.18                 |
| <b>Particulars</b>                                                       |                                  |                                            |                         |
| Profit and Loss                                                          |                                  |                                            |                         |
| Revenue                                                                  | 8563.55                          | 8643.48                                    |                         |
| Profit for the year                                                      | 1816.44                          | 540.95                                     |                         |
| Other comprehensive income                                               | 0                                | 0                                          |                         |
| Total comprehensive Income                                               | 1816.44                          | 540.95                                     |                         |
| Summarised Cash flow                                                     |                                  |                                            |                         |
| Cash flows from Operating activities                                     | (1311.07)                        | 1462.35                                    |                         |
| Cash flows from Investing activities                                     | (56.94)                          | (11.69)                                    |                         |
| Cash flows from Financing activities                                     | 1500.00                          | 1374.5                                     |                         |
| Net Increase in Cash and Cash Equivalents                                | 131.99                           | 2825.16                                    |                         |

## IV Disclosure of Interest in Associates under equity method

| Name of the Associate                           | Location           | Principal Activities of Business |                |                         |                     |              |
|-------------------------------------------------|--------------------|----------------------------------|----------------|-------------------------|---------------------|--------------|
| Coromandel Sugars Ltd.                          | India              | Manufacture and Sale of Sugar    |                |                         |                     |              |
| % of Ownership Interest                         |                    |                                  |                |                         |                     |              |
| Coromandel Sugars Ltd.                          | 49.99%             | 49.99%                           | 49.99%         |                         |                     |              |
| Summarised Financial Information for Associates |                    |                                  |                |                         |                     |              |
| Balance Sheet                                   | Non-current Assets | Investment in Associates         | Current Assets | Non-Current Liabilities | Current Liabilities | Total Equity |
| As at 31-03-2017                                |                    |                                  |                |                         |                     |              |
| Coromandel Sugars Ltd.                          | 36374.90           | 0                                | 13453.01       | 19473.22                | 20675.3             | 9679.39      |
| As at 31-03-2016                                |                    |                                  |                |                         |                     |              |
| Coromandel Sugars Ltd.                          | 35096.01           | 0                                | 16143.79       | 17531.32                | 24118.75            | 9589.73      |
| As at 31-03-2015                                |                    |                                  |                |                         |                     |              |
| Coromandel Sugars Ltd.                          | 33403.45           | 0                                | 18879.66       | 19484.10                | 23180.01            | 9619.00      |

As per our report of 27<sup>th</sup> May 2017

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants  
V.SWAMINATHAN  
Partner  
Membership No. 22276  
Place : Sankarnagar, Tirunelveli  
Date : 27<sup>th</sup> May, 2017

For BRAHMAYYA & CO.,  
Chartered Accountants  
N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director  
R.SRINIVASAN  
Executive President (Finance & Accounts)

|                              | 31/03/2017<br>Rs. Lakhs | 31/03/2016<br>Rs. Lakhs | 31/03/2015<br>Rs. Lakhs |
|------------------------------|-------------------------|-------------------------|-------------------------|
| Profit and Loss              |                         |                         |                         |
| Total Revenue                | 18435.62                | 25929.04                |                         |
| Profit Before Tax            | 123.30                  | 25.30                   |                         |
| Tax Expenses                 | 33.64                   | 54.57                   |                         |
| Profit after Tax             | 89.66                   | (29.27)                 |                         |
| Share of Profit in Associate | 0.00                    | 0.00                    |                         |
| Other Comprehensive Income   | 0.00                    | 0.00                    |                         |
| Total Comprehensive Income   | 89.66                   | (29.27)                 |                         |

40.22 The Primary Segment of the Company is Cement and Other Segments are below the required reportable levels as per the Ind AS - 108.

40.23 The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited (amalgamating companies) with the Company effective 1<sup>st</sup> January 2014 (Appointed Date) under Sections 391 to 394 of the Companies Act, 1956. The Honourable National Company Law Tribunal (NCLT), Division Bench, Chennai, vide its Order dated April 13, 2017 and April 20, 2017 sanctioned the Scheme of Amalgamation and Arrangement between Trinetra Cement Limited (First Transferor Company) and Trishul Concrete Products Limited (Second Transferor Company) collectively called Amalgamating Companies with the Company (Transferee Company) subject to the directions given by the Honorable High Court of Madras on 31.01.2017 in C.A. Number 617 to 621 of 2016 in C.P. Number 171 of 2015, which stipulates that one of the Amalgamating Companies viz., Trinetra Cement Limited shall exist till the happening of certain events envisaged therein. Consequently the financials for the year include those of the amalgamating Companies. Honorable Madras High Court referred the petition to National Company Law Tribunal (NCLT). NCLT approved the scheme on 13/04/2017. Accordingly the attached financials include the financials of the amalgamating companies.

The Company has applied Purchase method of accounting for effecting the amalgamation. The company has sought approval from Stock Exchange / SEBI for issue of Equity Shares to the shareholders of the amalgamating companies. Pending receipt of the said approval, the amount has been shown under Share Suspense Account.

The goodwill/capital reserve arising on implementation of the scheme has been adjusted against the General Reserve as contained in the Scheme.

40.24 Consequent to suspension of operations of Industrial Chemicals and Monomers Limited, the company has been evaluating the options of either operation of the company or its sale. In the meanwhile, all the assets of the Company are carried at book value and not at reinstated value. The Management is of the view that these assets will realise the values stated therein.

40.25 The accounting policies adopted by the holding Company have been applied from the financial year 2001-2002. It is not practicable to apply the standards for the earlier years.

40.26 Previous year's figures have been regrouped wherever necessary.

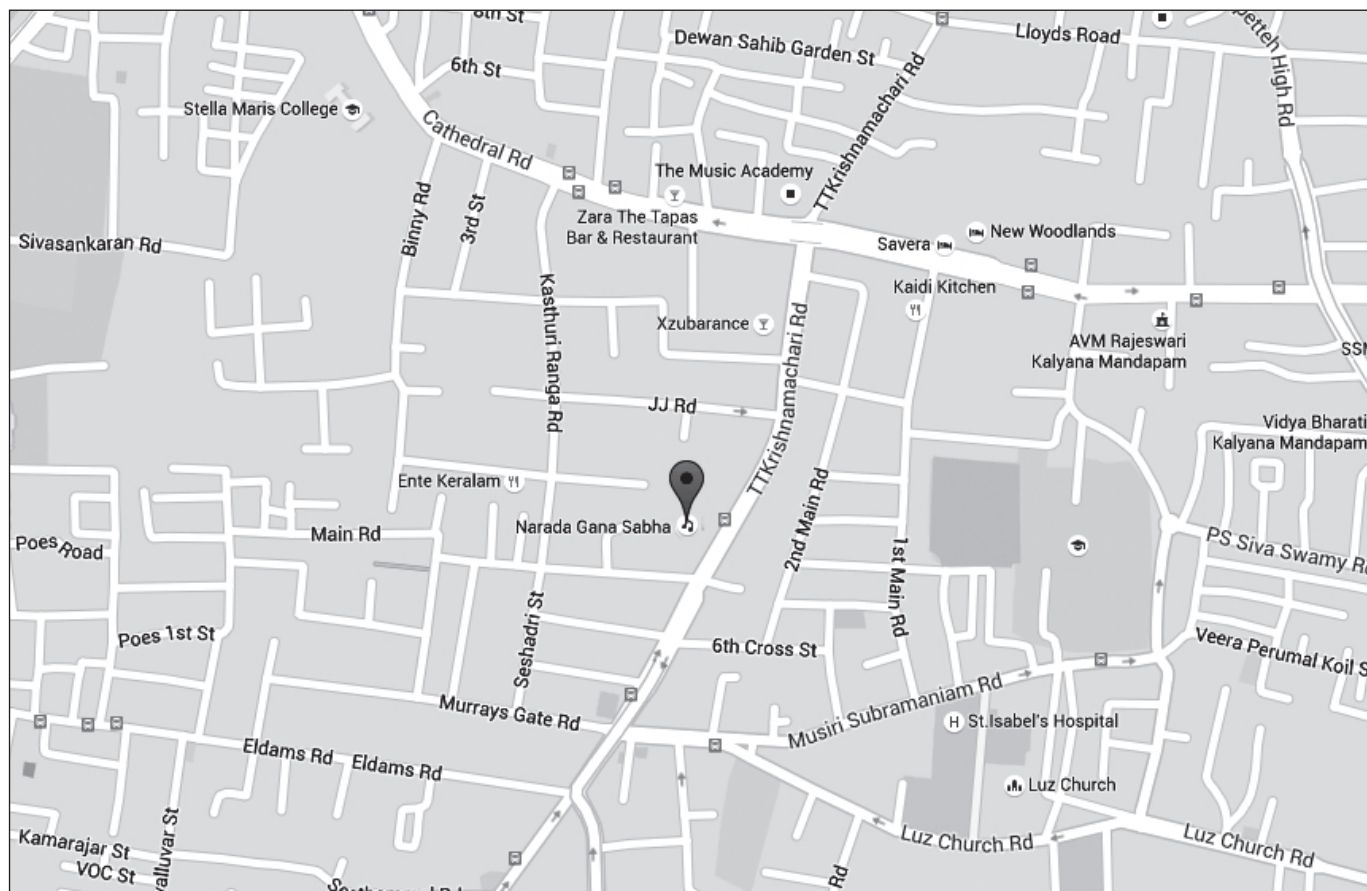
RUPA GURUNATH  
Wholtime Director

CHITRA SRINIVASAN  
N.R.KRISHNAN  
RABINARAYAN PANDA  
S.BALASUBRAMANIAN ADITYAN

K. BALAKRISHNAN  
V. MANICKAM  
N. SRINIVASAN

S. SRIDHARAN  
Company Secretary

Directors



Seventyfirst Annual General Meeting Venue:  
 'Sathguru Gnanananda Hall', (Narada Gana Sabha),  
 No.314, T.T.K.Road, Alwarpet, Chennai 600018.



# THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office : "Dhun Building", 827, Anna Salai, Chennai - 600 002.

Corporate Office: 'Coromandel Towers', 93, Santhome High Road,

Karpagam Avenue, R.A.Puram, Chennai - 600 028.

Website: www.indiacements.co.in E-Mail ID: investor@indiacements.co.in

Phone: 044-28521526 / 28572100 / 400 Fax: 044-28517198

## PROXY FORM

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 on my / our behalf at the Seventyfirst Annual General Meeting of the Company to be held on Monday, the 4<sup>th</sup> September, 2017 at 1.30 P.M at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No.           | Resolutions                                                                                                                                     |                     |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>Ordinary Business</b> |                                                                                                                                                 |                     |
| 1                        | Adoption of Standalone Audited Accounts for the year ended 31.03.2017.                                                                          | Ordinary Resolution |
| 2                        | Adoption of Consolidated Audited Accounts for the year ended 31.03.2017.                                                                        | Ordinary Resolution |
| 3                        | Declaration of dividend on equity shares for the year ended 31.03.2017.                                                                         | Ordinary Resolution |
| 4                        | Appointment of a director in the place of Smt. Chitra Srinivasan, who retires by rotation and being eligible, offers herself for reappointment. | Ordinary Resolution |
| 5                        | Appointment of Auditors and fixation of remuneration.                                                                                           | Ordinary Resolution |
| <b>Special Business</b>  |                                                                                                                                                 |                     |
| 6                        | Appointment of Sri M.R. Kumar as a Director of the Company, liable to retire by rotation.                                                       | Ordinary Resolution |
| 7                        | Appointment of Sri K. Balakrishnan as an Independent Director of the Company.                                                                   | Ordinary Resolution |
| 8                        | Appointment of Sri V. Ranganathan as an Independent Director of the Company.                                                                    | Ordinary Resolution |
| 9                        | Issue of Non-Convertible Debentures / Bonds and other Securities                                                                                | Special Resolution  |
| 10                       | Ratification of remuneration to Cost Auditor of the Company.                                                                                    | Ordinary Resolution |

Signed: ..... day of ..... 2017.

Signature of Shareholder .....

Signature of Proxyholder(s) .....

Affix  
Re.1/-  
Revenue  
Stamp

Note: Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. 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 i.e. before 1.30 P.M on Saturday, the 2<sup>nd</sup> September, 2017.





## TOWARDS CORPORATE SOCIAL RESPONSIBILITY



DISTRIBUTION OF SCHOOL UNIFORMS AND DRESS MATERIALS AT PARLI



DENTAL CHECK-UP PROGRAMME AT SANKARI



DISTRIBUTION OF STUDY MATERIALS TO STUDENTS AT YERRAGUNTLA



MEDICAL CAMP AT SANKARNAGAR



GREEN BELT DEVELOPMENT AT VISHNUPURAM



DRINKING WATER FACILITY AT DALAVOI



HEALTHCARE CAMP AT BANSWARA



HEALTHCARE CAMP AT MALKAPUR



## BUSINESS DEVELOPMENT: NEW PRODUCTS UNVEILED BY INDIA CEMENTS

### SPECIAL CEMENTS



OIL WELL CEMENT



RAILWAY SLEEPER CEMENT

### ALLIED PRODUCTS



WALL PUTTY



WHITE CEMENT

## THE INDIA CEMENTS LIMITED

Corporate Office:

“Coromandel Towers”,

93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai - 600 028.

Phone : 044-28521526

[www.indiacements.co.in](http://www.indiacements.co.in)