



PRISM JOHNSON LIMITED

(FORMERLY PRISM CEMENT LIMITED)

August 10, 2018

The National Stock Exchange Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Code : PRSMJOHNSN

The BSE Limited,
Corporate Relationship Department,
P. J. Towers, Dalal Street, Fort
Mumbai - 400 023
Code : 500338

Dear Sirs,

Sub. : Submission of approved and adopted Annual Report for the FY 2017-18 by the shareholders at the 26th Annual General Meeting of the Company

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the financial year 2017-18, approved and adopted by the shareholders at the 26th Annual General Meeting of the Company held on August 8, 2018 at Hyderabad.

Kindly take the same on record.

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**

ANEETA S. KULKARNI
COMPANY SECRETARY

Encl : a/a



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Registered Office: Prism Johnson Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016, India.
W: www.prismjohnson.in E: info@prismjohnson.in

CIN: L26942TG1992PLC014033

PRISM JOHNSON LIMITED

(FORMERLY PRISM CEMENT LIMITED)

TOWARDS A BETTER TOMORROW



Annual Report

2017-18

PRISM
CEMENT
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 **JOHNSON**
Not just tiles, Lifestyles.


Complete Concrete Solutions

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Cautionary Statement Regarding Forward-Looking Statement

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties economics and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation. Prism Johnson Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.



STEADILY AHEAD



With the world economy changing continuously, the macro business environment across economies is bound to fluctuate. This is applicable to both developed and developing economies. The Indian economy has been moving towards a more open market due to which it has increasingly come under the influence of global factors along with the domestic factors. Backed by a robust business experience spanning decades, we, at Prism Johnson have become nimble footed with time. We have moulded our corporate culture so that being agile is one of our core fundamental strengths. Change is the only constant in any business, hence, it does not pay to be too concerned about systematic risk. As has been seen throughout history, tough situations do not last forever, but tough people do. We, at Prism Johnson have kept steadily on track by taking timely tactical decisions and well formulated long term growth strategies.

Over the course of the last few years, we have negotiated hurdles in the form of a difficult external business environment as well as many internal limitations. However, our resolve to move

ahead has remained steady. We have worked to significantly enhance our operating efficiency and have also invested in overcoming our business limitations. On the other hand, we have taken timely and strategic decisions to ride the tide of ups and downs presented by the macro business environment.

Looking forward to the future, the business environment is on a steady path of recovery with the potential of gaining momentum. At Prism Johnson, we are much better placed with our unique business model in building material industry, which offers a wide variety of products across various domains like infrastructure, construction, and real estate to make the most of a better business environment. As we step into the future, our aim will always be to move steadily ahead.







WITH CONCRETE STEPS



Over the past financial year, we have taken concrete steps to improve efficiency as well as reduce costs, as has been our effort over the past. These efforts helped the Company to sustain the performance of the Cement Division despite several challenges during the year. In addition to operating efficiency improvement measures, the Cement Division continued to scale up its marketing activities like strengthening its distribution network and merchandising. The Division's premium product strategy has started paying off. These products have steadily climbed the ladder and now form 15% of overall volumes. As in past, the Division's focus remains on optimizing the cost.

The H & R Johnson (India) Division has continued to strengthen its robust distribution network. It has a strong brand equity, widespread manufacturing locations and a comprehensive portfolio of products including tiles and bath. There has been a steady focus on increasing the utilization levels and managing working capital more efficiently. The Division has also taken several demand generation initiatives over the past few quarters - key amongst them are influencer engagement and opening of five large format display centers in Guwahati, Chennai, Kolkata, Coimbatore and Kochi. The Division also plans to improve the product display of value-added products.

The key highlight of the year under consideration was the positive growth in volumes in the Tiles business in comparison to volume decline in the previous year. The operating performance had witnessed marked improvement during the year both at standalone and consolidated level. Our

commitment to scaling greater heights was duly reflected in the selection of Johnson Endura, our industrial tiling product line, as a consumer validated Superbrand.

RMC (India) Division reported good volume and revenue growth during the second half of the year. The mega vertical which caters to various infrastructure segments, recorded higher volumes and ended the year on a record order book position. The overall growth was further assisted by shift from unorganized players to organized players in the market. However the annual performance of the Division was impacted by GST and RERA implementation in the first half, reduced availability of aggregates and increased commodity prices. The focus is on increasing utilization levels going forward.

GST is expected to result in a significant benefit for the organized sector in India, which would extend to your Company. We are making efforts to increase our presence steadily in unrepresented markets as well.

Prism Johnson remains focused on creating long term investor value through efficient and successful implementation of its long term growth plans.



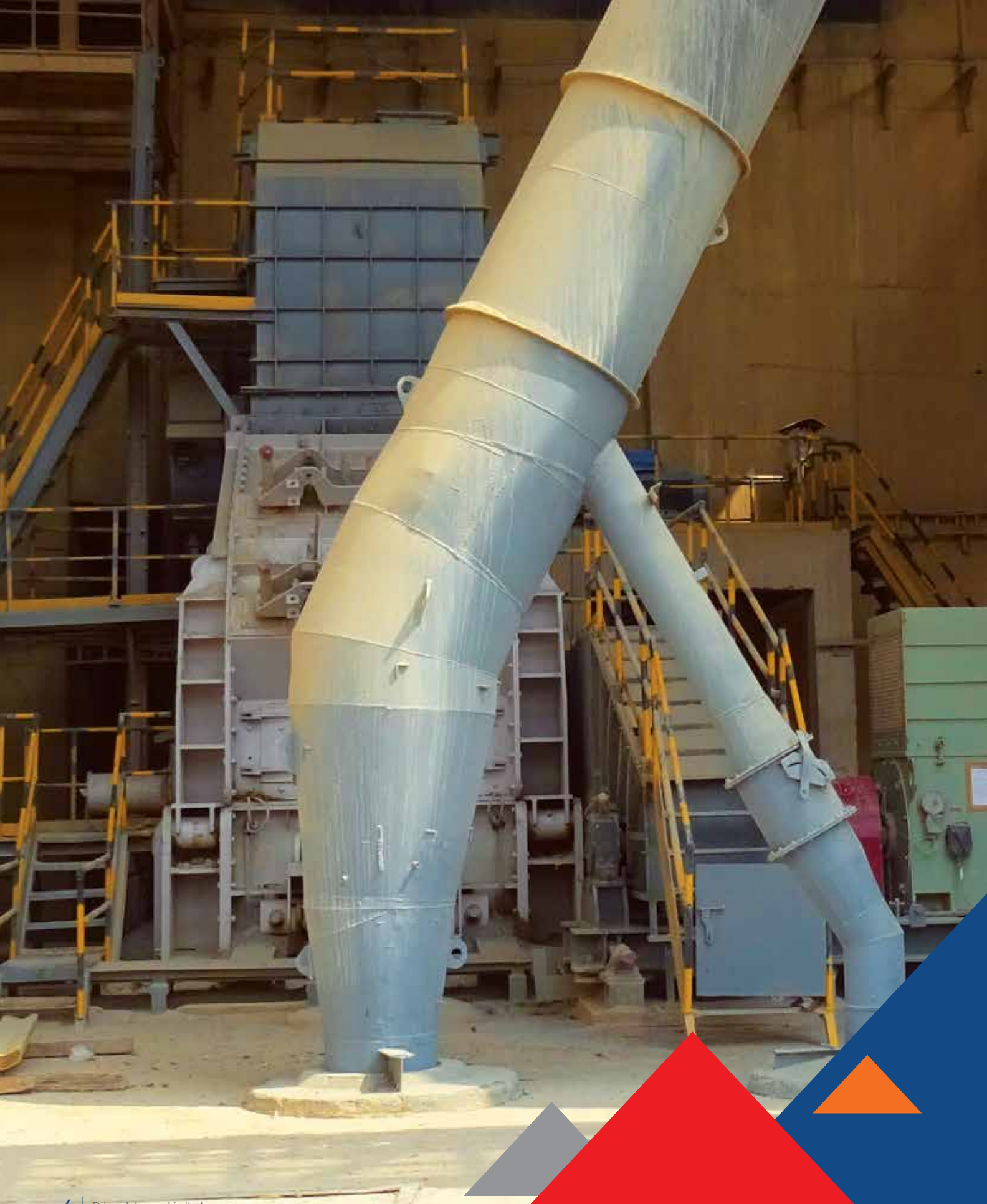


TOWARDS A BETTER TOMORROW

The year gone by saw some unprecedented challenges. Game changing structural reforms such as introduction of GST and implementation of RERA were seen during the year. This apart, there were few region specific challenges. There was near complete sand mining ban in Uttar Pradesh and Bihar for good part of first half of the year. These States together accounts for about 70% of the total volume of the Cement Division. Apart from this, there was partial sand mining ban in Madhya Pradesh as well. There were overloading restrictions in Uttar Pradesh.

There was also a slowdown in the completion of pending real estate projects led by rising inventories especially on the residential side of the Real Estate Sector. At the same time, new launches were also delayed due to introduction of RERA. Since a number of developers put their operations on hold to complete the registration process in RERA, the volumes of Tiles and Ready Mixed Concrete were impacted. Prices of several commodities such as pet-coke, coal, diesel, aggregates amongst others were not only volatile but have been inching up during the year.







Several of the above reforms and challenges posed short term business disruptions. The long term benefits are significant for a sustainable growth. For example:

- Clear shift in market dynamics – Several industries including Building Materials would see gradually business moving from unorganized players to organized players. Both the Tiles and Ready Mixed Concrete businesses have reasonable unorganized presence.
- Better volume growth for branded tiles players with the reduction in GST rates to 18% and full implementation of E-Way billing.
- Regularizing of sand mining activity leading to better availability and lower volatility in prices.
- Few pockets of real estate sector showing revival signs such as mid-price segment and commercial real estate.

The business environment seems to have stabilized and the prospects of growth seems even better now. This has also been reflected by the recovery in operating performance of all the three Divisions.

The Central Government's continued focus on infrastructure and rural development would also lead to several growth opportunities going ahead:

- Focus on Infrastructure continues – road construction has seen good ordering, ongoing and higher capex in railways including dedicated freight corridors, metros, ports, airports and power transmission.
- Focus on Housing for all Program. Ramp up in Pradhan Mantri Awas Yojna - Gramin (PMAY-G).
- Impetus on increasing agricultural productivity and better pricing for same.
- Continued thrust on core schemes such as Smart Cities, Swachh Bharat Abhiyan amongst others.
- States re-aligning with Central Government thrust on development. Increasing spend on infra and housing in State Budgets. Focus on execution & delivery.

With improving business environment we are committed to carry forward the good performance recorded during the latter half of FY18.

We have undertaken a rebranding process involving a change in our name from Prism Cement Limited to Prism Johnson limited. The new name signifies the Company as one of India's largest building materials company. The brand alignment embraces the essence of all three divisions under one name, unifying all our offerings under Prism Johnson Limited.





LETTER FROM THE MANAGING DIRECTOR:

Dear Shareholders,

It has been an honour and a pleasure to have completed yet another year leading the team of your Company, now renamed Prism Johnson Limited, formerly Prism Cement Limited. With the change in name to Prism Johnson Limited, there is a renewed optimism and vigour in the Company. The new name signifies the Company as one of India's largest building materials company. The brand alignment embraces the essence of all the three divisions under one name, unifying the offerings under Prism Johnson Limited. This move reflects our commitment to carry forward and enhance our capability as well as reinsuring the dedication for creating value by delivering quality products for our customers across domains.


Worldwide, the economy continued to strengthen during 2017. The International Monetary Fund (IMF) had predicted that economic activity worldwide would start picking up in 2017 and 2018 after a lacklustre performance in 2016. However, this has been subject to widespread dispersion, given the uncertain political and economic policy scenarios in some of the world's biggest economies. Despite this, the global growth rate was at 3.8% in 2017. Growing demand and increasingly buoyant financial markets have fuelled this growth. Accordingly there is optimism that global Growth in foreseeable future would be better than earlier years. India continues to be a bright spot on the world map.

Over the last couple of years the Indian Economy had to face several challenges both internal and external. FY17 saw heavy rainfall and floods in several parts of the country. This was followed by demonitization. The year in review saw rollout of GST and implementation of RERA. In the long run both these initiatives would be positive for the economy. There was sand mining ban in several parts of the country. As a result the real estate sector in few States remained under pressure. Despite these challenges the Indian economy has been resilient, no doubt the growth rate slowed down a bit. However there is a strong belief that these measures would not only

bring back growth but a sustainable one. It is reflected by way of better GDP growth in recent quarters as compared to earlier quarters. The era of sub 7% GDP growth is past and the momentum is likely to accelerate due to several initiatives undertaken by both the Central and State Governments, specific emphasis in affordable housing and infrastructure sector especially order tendering in roads and power transmission segment as well as prediction of normal monsoon for the second consecutive year amongst others. As per the latest IMF release, Indian GDP growth is expected to be 7.4% and 7.8% for FY19 and FY20 respectively. The key risks to above growth assumptions are volatile and increasing commodity prices, bottoming out of interest rates atleast for time being, global trade wars and geo-political situation amongst others.

Now I would like to take you through some key highlights of our performance for the year under review. The overall performance in FY18 turned out to be quite satisfactory given the challenges highlighted earlier. The performance of your Company over the past year can be split into two parts: We ended the year on a positive note, though there were several challenges in the first half. Noteworthy highpoints, amongst many were the record Cement & Clinker sales volumes clocked by Cement Division, turnaround in HRJ Division and record order book seen by Mega Vertical of the RMC Division.

The Cement Division reported overall Cement & Clinker volumes of 5.64mt, growth of 4% over FY17 and surpassing previous record volumes posted in FY15. The volume growth has to be seen in the wake that the Division had to deal with region specific issues such as overloading ban in UP and sand mining ban in UP and Bihar during the first half of FY18. Good volumes and realizations buoyed the Cement Division through an unprecedented rise in commodity prices such as that of pet-coke, coal as well as diesel. The efforts put by the team over the last couple of years helped the Company to achieve





improved operating performance. EBITDA per ton improved to ₹ 619 in FY18 from ₹ 567 in FY17. Few other highlights are as under:

- Premium products, 'Duratech' and 'Champion Plus' continue to do well. They together contributed nearly 15% of overall volumes as compared to 11% in FY17.
- Optimization of logistic costs despite increase in fuel cost. Lead distance reduced to 391 kms down from 406 kms in FY17.
- Higher quality and better priced coal sourcing from South Eastern Coalfields Ltd helped to partially mitigate unprecedented increase in pet-coke and coal prices.
- The Company was one of the four Cement Companies to be conferred with Award for Maximum use of Fly Ash under Green Building Material Category organized by Mission Energy Foundation.

The H & R Johnson (India) Division recently completed 60 years of its presence. The Division has displayed significant improvement in operating performance as compared to FY17. Key highlights of the Division:

- Marked improvement in operating profits both at standalone and consolidated level. The Division was successful in widening operating margins.
- Positive volume growth during FY18 as compared to double digit volume decline in FY17.

- Demand generation activities undertaken. Key amongst them are influencer engagement and opening of five large formats display centre in Guwahati, Chennai, Kolkata, Coimbatore and Kochi. More such display centres are planned going forward.
- Sales organisation was sub-classified into 4 verticals viz Johnson, Marbonite, Endura, and Porselano. The verticals are expected to bring in greater focus and improved performances overall.
- The Division has launched more than 200 new tile concepts / designs / formats during the year.
- Expansion of overall tile capacity from 61msm to 68msm.
- Johnson Endura, our industrial tiling product line, conferred with Superbrand status.

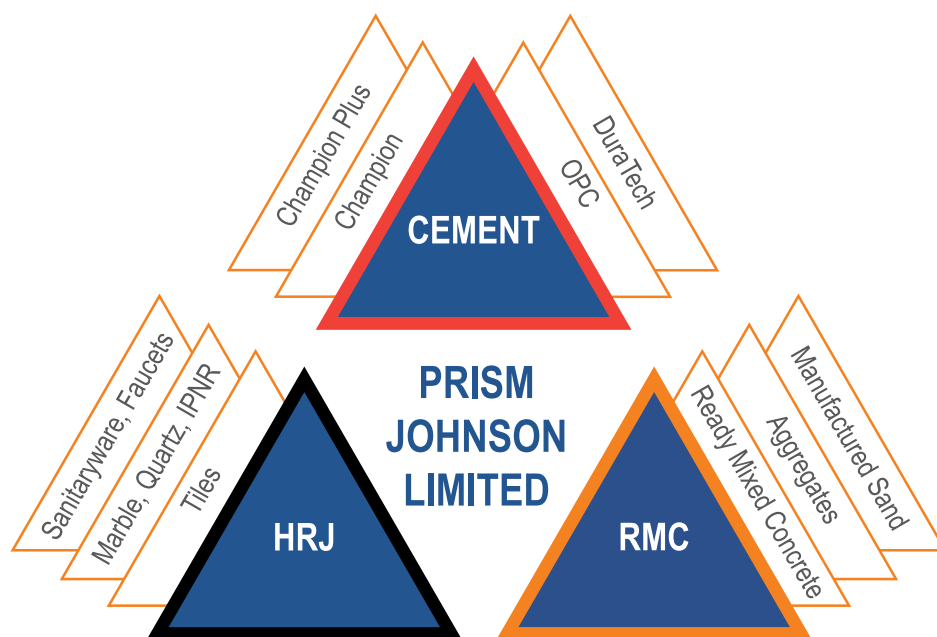
The RMC (India) Division reported double digit growth during second half of FY18 after nearly five years of flattish performance. However, the overall performance was impacted due to sand mining ban, non-availability of aggregates and volatile / increasing prices of commodities such as cement, fuels and aggregates. The mega vertical of the Division, which caters to infrastructure segment, recorded significantly higher volumes and ended the year on an unprecedented high order book. During the year, the Division strengthened its focus on Individual Home Builder segment and value added products, which enjoy better profitability.

Looking forward, and as highlighted above, the growth momentum is likely to pick up. With cost rationalization measures in place and focus on demand generation activities, the Company is looking to increase utilization levels in all the three Divisions. Our commitment to quality, operational excellence and recent initiatives would see us scale greater heights over the next few years. Finally, I thank all stakeholders for their immense contribution and belief in the Company. I am also grateful to all our employees for their relentless efforts and dedication towards the organization.

Best Regards,
Vijay Aggarwal

THE WORLD OF PRISM JOHNSON

Prism Johnson Limited is one of India's leading integrated building materials company with an active interest in Cement, Tiles & Bathroom (HRJ) as well as Ready Mixed Concrete (RMC). These operate under three divisions: Prism Cement, H & R Johnson (India) and RMC (India).



List of Institutional Shareholding more than 1%: (as on 31st march, 2018)

Shareholder	%
HDFC Trustee Company Ltd	5.3
National Westminster Bank Plc as Trustee of the Jupiter India Fund	2.3
CLSA Global Markets PTE Ltd	1.1
Government Pension Fund Global	1.1



Raheja QBE General Insurance Company Limited:

Prism Johnson Limited currently holds 51% stake in the Raheja QBE General Insurance Company Ltd. which is a joint venture between the QBE Insurance Group based out of Australia, holding a 49% stake. QBE is one of the largest internationally spread General Insurance and Reinsurance groups in Australia, operating across more than 4 dozen countries. Licensed in December 2008, Raheja QBE General Insurance was the 21st General Insurance Company in India. It caters to a market that requires speciality products such as liability insurance, marine liability, trade credit, etc.

Distribution network:

Cement Dealers:

4,000⁺

HRJ Dealers:

1,000⁺

House of Johnson outlets:

22

RMC Plants:

92

Market capitalisation:

₹ 5,469 Cr.
(As on 31st March, 2018, BSE)

Total Income from Operations
(Consolidated)

₹ 5,641 Cr.

Gross Block (Consolidated)

₹ 3,213 Cr.

Net Worth (Consolidated)

₹ 1,038 Cr.

FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL (₹ cr)

Particulars	FY18	FY17	FY16	FY15	FY14
Total Income from Operations (net)	5641.4	5563.2	5758.9	5654.4	5026.6
EBITDA	442.2	356.7	340.9	353.5	179.3
EBITDA Margin (%)	7.8	6.4	5.9	6.3	3.6
EBIT	324.5	256.8	309.1	188.7	(21.1)
EBIT Margin (%)	5.8	4.6	5.4	3.3	(0.4)
PAT (Adjusted for Minority Interest)	42.5	(1.8)	2.9	2.6	(86.2)
Net Profit Margin (%)	0.8	0.0	0.1	0.0	(1.7)
Equity	1037.9	994.9	998.2	1,054.3	1,058.8
Gross Block	3213.3	2,862.9	2,724.2	3,998.8	3,902.5
Current Investments	33.2	52.9	116.9	86.1	114.6
Cash & Cash Equivalents	77.4	82.7	131.1	129.6	110.7
RoCE (%)	10.6	8.6	9.6	5.7	(0.7)
Book Value per Share (₹)	20.6	19.8	19.8	20.9	21.0



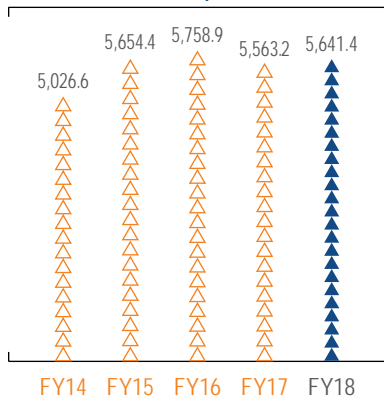
Note:

- FY16, FY17 and FY18 are as per IND-AS
- FY14 and FY15 are as per IGAAP
- Previous numbers are re-grouped wherever necessary

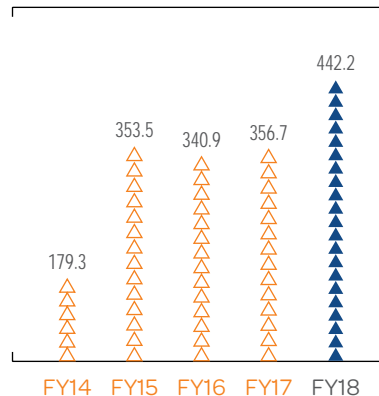




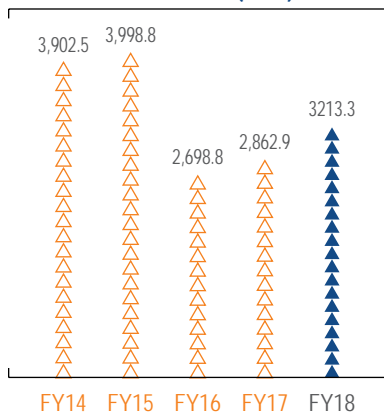
Total Income from Operations (net ₹ cr)



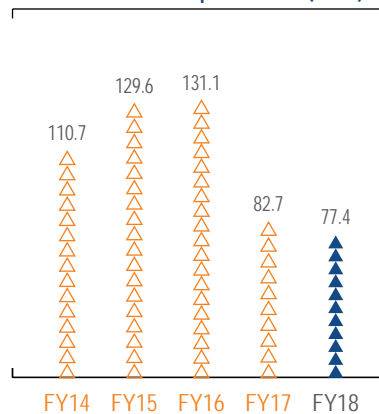
EBITDA (₹ cr)



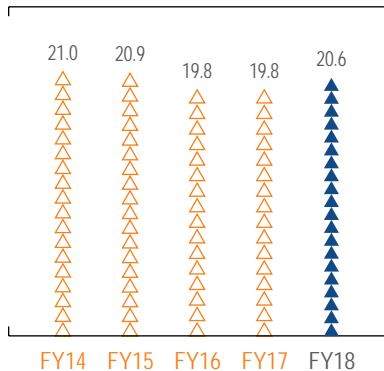
Gross Block (₹ cr)



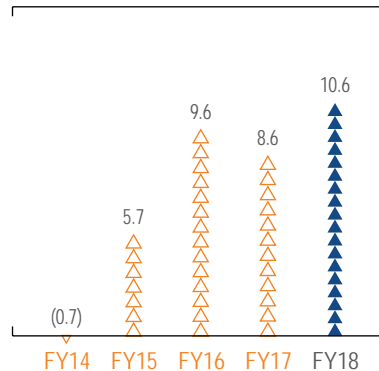
Cash & Cash Equivalents (₹ cr)



Book Value per Share (₹)



RoCE (%)





CORPORATE INFORMATION

Board of Directors

Mr. Shobhan M. Thakore
Chairman

Mr. Rajan B. Raheja

Mr. Vijay Aggarwal
Managing Director

Mr. Vivek K. Agnihotri
Executive Director & CEO (Cement)

Mr. Joydeep Mukherjee
Executive Director & CEO (HRJ)

Mr. Atul R. Desai
Executive Director & CEO (RMC)

Mr. J. A. Brooks
Upto November 7, 2017

Ms. Ameeta A. Parpia

Dr. Raveendra Chittoor

Chief Financial Officer

Mr. Manish Bhatia

Company Secretary

Ms. Aneeta S. Kulkarni

Investors Relations

Mr. Munzal Shah
General Manager – Investors Relations
Tel: +91 22 6675 4142-46
Email: investorrelations@prismjohnson.in

Corporate Office

'Rahejas', Main Avenue, 2nd Floor, V. P. Road,
Sanataacruz (West), Mumbai-400 054.

Registered Office

305, Laxmi Niwas Apartments,
Ameerpet, Hyderabad-500 016.

Registrar & Transfer Agent

Karvy Computershare Private Limited
Unit : Prism Johnson Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500 032.

Bankers

Axis Bank Limited
ICICI Bank Limited
IDBI Bank Limited
Indian Overseas Bank
IndusInd Bank
Kotak Mahindra Bank Limited
Vijaya Bank
Yes Bank Limited
Standard Chartered Bank
HDFC Bank Limited

Auditors

G. M. Kapadia & Co., Mumbai.



MANAGEMENT DISCUSSION & ANALYSIS

Industry Outlook:

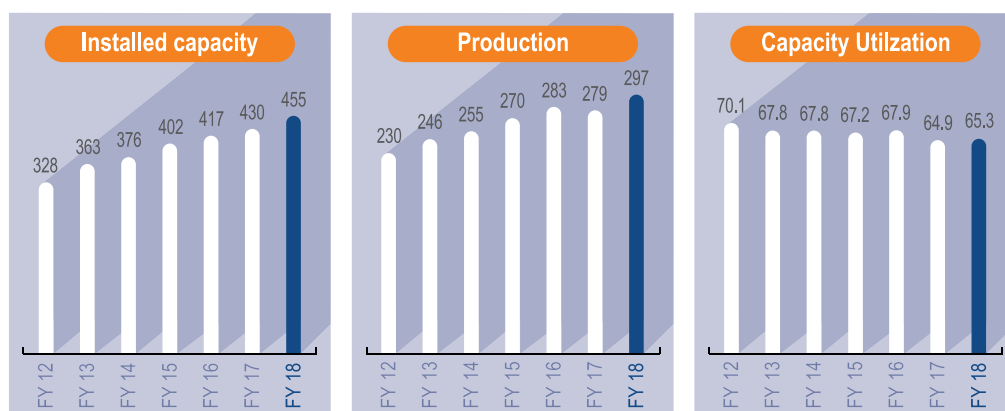
The Cement Industry:

Cement production across the country saw revival with production increasing at 6% in FY18 as compared to de-growth in FY17 despite challenges for the cement industry such as the implementation of RERA, GST, sand mining ban and the after-effects of demonetisation. Cement sector growth was led by construction of houses under the "Housing for All" Scheme and Pradhan Mantri Awas Yojana (PMAY) Scheme from the housing segment especially in the rural areas. Infrastructure projects under Bharatmala, Sagarmala and Smart Cities continued to

drive demand. The year saw a rise in cost for the industry, which was not supported by a corresponding rise in prices.

According to expert estimates, the total installed capacity of the cement industry in India is 455 million tonnes (MT) and production is marginally lower than 300 MT resulting in overall capacity utilization level at less than 70%. While Central, North and East witnessed healthy utilizations level the drag on overall utilization level was due to Southern part of the country.

India: Supply, demand (in MT) and capacity utilization (%)



Source: CMIE / CARE Estimates

The Cement consumption could be broadly classified from Housing and Real Estate segment at ~65%, Infrastructure at 20% and Commercial and Industrial Segment at 15%.



Demand drivers going forward

Infrastructure development need of the hour and continues to remain in focus:

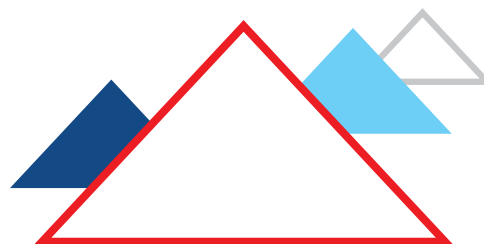
- Strong ordering witnessed in the road construction segment. NHAI project awarding increased by 70% during FY18. While execution has increased year on year over last four years, the Government's intentions are higher than current run rate.
- Planned metro projects of more than 1,200 km across 23 cities. Closer to the region where the Cement Division sells its production, Lucknow Metro Rail Corporation has approved DPR of metro projects in Kanpur.
- Development of international airports, industrial corridors & freight corridors, ongoing and increasing capex in railways and power transmission are the other focus areas, which would drive cement demand.



Housing and Real Estate segment demand drivers are rural housing and affordable housing in urban areas:

- Increasing budgetary support for both PMAY – Gramin and Urban. These programs are likely to be one of the biggest catalyst for cement demand. The Government is taking several steps to ensure better execution in the form of providing funding directly into beneficiary account, interest subsidy, revised carpet area to include more beneficiaries and removing land constraints amongst others.
- Impetus on increasing agricultural productivity, procurement and better pricing for same. Uttar Pradesh State Government has reported record procurement of Wheat and Paddy during FY18.
- Demand from affordable housing is expected to increase on the back of Government allocating higher amount for urban housing. The PMAY – Urban has seen five-fold increase in budget outlay.
- State Governments have re-aligned their budget and focus in line with Central Government.
- Few pockets of urban housing segment are turning around. Commercial segment seems to have turnaround during last few quarters.

The challenges for the sector are mainly on the cost front with increasing commodity and fuel prices, nation-wide ban on pet-coke apart from the preponing / increasing capacity additions.



The Ready mixed Concrete Industry:

The ready-mixed concrete industry has been considerably successful globally. In India, it is still at a nascent stage. Ready-mixed concrete accounts for only about 10-12% of the total concrete production in India. This is a small number as compared to western countries, where it comprises 50-70% of the total concrete consumption volume. The penetration level in the metropolitan and tier-I cities is relatively higher and accounts for about 35-40%, while in tier-II cities penetration level is about 20%.

Over the past year, there has been a rise in demand for ready-mix concrete due to technological improvements and innovations. The central government is pushing for more infrastructure development as well as completing on-going projects in a time bound plan. Government is also focussing on the

creation of "smart cities" which would lead to the construction of commercial, residential and recreational centres, along with public utilities like roads and railways. This will boost the prospects for RMC as a viable alternative to traditional concrete. RMC is also finding better acceptance among the most real estate developers in the country, especially in urban areas. Thus, the potential for this segment remains quite large.

Due to this reason, manufacturers have stepped up efforts to improve capacities in this sector. Increase in demand for RMC is expected to boost cement production as well, as cement is the most essential component of RMC. By 2022, RMC is expected to account for up to 25% of the total cement consumed as predicted by Cement Vision 2025, published by the CII and A T Kearney.





Tiles and Bathroom Product Market:



Tiles:

Globally, India ranks the third largest producer and consumer of tiles. However, India ranks much lower in terms of per capita consumption, which is lower than even other developing nations such as Indonesia and Brazil. The Indian tiles industry has immense potential to scale up, led by increasing urbanisation and use of tiles for flooring. Further launch of specialised tiles based on area of application at competitive pricing along with real estate revival would lead to demand growth going forward.

The tiles industry in India grew at compounded double digit growth for most part of the current century due to rising population, urbanization, affordability, increasing replacement to traditional flooring materials amongst others. The impact of demonetization, slowdown in new constructions due to introduction of GST and RERA and higher inventories in urban areas led to lower single digit growth rates in the past few years.

According to market estimates the domestic tiles industry market size is estimated at ₹ 280bn excluding the faster growing exports, which is estimated at ₹ 50bn. Morbi in Saurashtra, Gujarat, remains the epicentre of tile production in India, accounting for about 70% of the total Indian production. The sector is showing a shift towards more innovative, aesthetic products, especially in urban and semi urban areas.

In another report, Ken Research expects the Indian tile market to reach over ₹ 477bn by FY22. However in the short run the industry faces few challenges in the form of continuing single digit growth rates as real estate continues its gradual revival, increase in fuel prices and pricing pressure especially in the value added and premium product categories.

Bathroom Products

(Sanitaryware and Fittings):

The Bathroom Product segment could be broadly classified into Sanitaryware and Faucets. In the bath fittings industry, there is scope for growth, especially in the luxury and semi-luxury bath fittings segments. The sanitaryware industry is a much more organized industry as compared to tiles industry. According to a Ken Research report, the industry is expected to grow rapidly and reach a scale of ₹ 143bn by 2019. It is predicted that there will be a rise in the volume of products as well as the value of the products sold. This is because not only more consumers are buying these products but there is a higher demand for premium products due to rising disposable incomes and exposure to western designs and aesthetics. The demand from real estate developers has grown exponentially over the past few years.

Some constraints faced by this sector are low demand in the replacement market, restriction of the market to urban areas, and smaller bathroom sizes in Indian homes. Despite this, increase in the number of nuclear families and exposure to better lifestyles have fuelled the rise of the bath fittings & accessories industry.

SEGMENT REVIEW:



Prism Cement

Prism Cement is based in Central India, with units in Satna, Madhya Pradesh with a capacity of 7 MTPA of cement. It manufactures Portland Pozzolana Cement (PPC) with the brand name of 'Champion', 'Champion Plus', and 'DURATECH'. Prism Cement has the highest quality standards due to efficient plant operations with modern state of the art automated controls. It caters to the markets of Eastern Uttar Pradesh, Madhya Pradesh and Bihar, with an average lead distance of 391 kms for cement from its Satna plant, Madhya Pradesh. Prism Cement maintains and operates a wide marketing network of about 4,000 dealers serviced from about 180 stock points.

The Company has plans for Greenfield expansion in Kurnool District, Andhra Pradesh for which required land is in possession, limestone reserves are secured and environment clearance in place.

During the year the Company has signed a Memorandum of Understanding with the Uttar Pradesh State Government for setting up a cement Grinding Unit with a proposed investment of approximately ₹ 250 Crores. Upon setting up the Grinding Unit, the Company is expected to optimize its logistic costs as well as improve local availability in its strategic markets of Uttar Pradesh.

Operational Review:

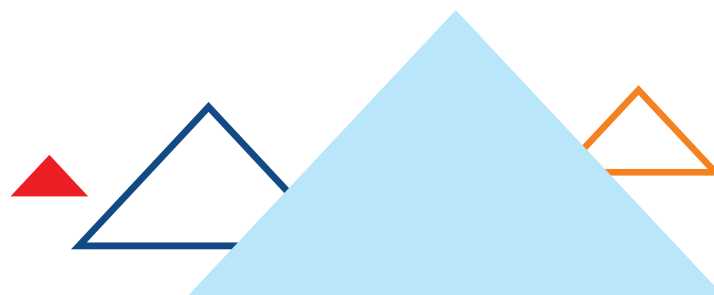
- The division has seen improvement in operating performance as compared to previous year with EBITDA per Tonne of ₹ 619 in FY18 as compared to ₹ 567 in FY17
- The Company sold 56.4 Lakh Tonnes of cement and clinker as against 54.1 Lakh Tonnes in FY17
- 'Duratech' and 'Champion Plus' contributed 15% in FY18 of overall volumes as compared to 11% in FY17

Financial Review:

Particulars	FY18	FY17	FY16	FY15	FY14
Sales volume (Cement & Clinker) - Lakh tons	56.4	54.1	52.9	56.2	51.2
Revenues (₹ Cr)	2372	2009	1886	2201	1947
EBITDA (₹ Cr)	349	306	197	230	89
Margin (%)	14.7	15.3	10.4	10.4	4.6
EBITDA per Ton	619	567	372	410	173

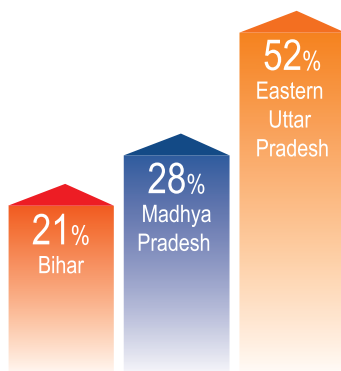
Notes:

- FY16, FY17 and FY18 are as per IND-AS
- FY14 and FY15 are as per IGAAP
- All numbers mentioned herein exclude clinker sales for third party processing, if any
- Previous numbers are re-grouped wherever necessary

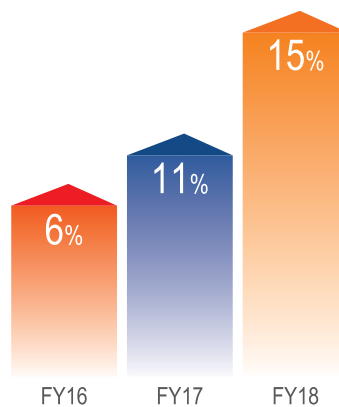




Region wise Cement Sales Mix



Cement Product Mix
(Duratech + Champion Plus)



Cement Sales Channel Mix



Cementing Relationship



RMC (India)

RMC (India) is one of India's leading ready mixed concrete manufacturers established in 1996. It currently operates 92 ready mixed concrete plants across 44 cities / towns in India. This division has made significant inroads into existing markets and has also been successful in exploring new markets. RMC has a backward integration in aggregate business and operates large quarries and crushers. RMC (India) has 5 quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production and quality systems in the ready-mixed concrete industry. It has given significant importance in providing high level of quality assurance to its customers. The Division has got a few of its technical laboratories accredited by NABL.

RMC Specials Value-added Concrete:

- Dyecrete ® comprises an eye-catching array of concrete that are suitable for a wide variety of architectural and decorative applications
- Perviouscrete ™ is 'Rain water harvesting' concrete
- FRCcrete ® is fibre reinforced concrete. Fibres include steel, glass or synthetic fibres. Used in terrace slabs, warehouses, container yards, railway platforms, airports etc.
- Easycrete ® special concrete characterized by high resistance to segregation, which can be cast with minimal noise
- Elitecrete ™ is light weight concrete with densities varying from 800 to 1800 kg/m³

Operational Review:

- Growth picked in H2FY18 after nearly 5 years of flattish growth
- Infra order book at record high
- Focus on O&M segment and cost management program in place
- Promote sales of value added products and increase sales in Individual House Building segment
- Focus on road, metros and captive plants
- NABL Accredited Labs
- Several plants recognized and awarded by National Safety Council of India

Financial Review:

Particulars	FY18	FY17	FY16	FY15	FY14
Revenues (₹ Cr)	1364	1229	1288	1204	1143
EBITDA (₹ Cr)	28	38	52	30	40
Margin (%)	2.0	3.1	4.0	2.5	3.5

Notes:

- FY16, FY17 and FY18 are as per IND-AS. FY17 and FY18 revenue figures are net of excise duty
- FY14 and FY15 are as per IGAAP
- Previous numbers are re-grouped wherever necessary

Demand Influencer



Special Products:



Dyecrete®



Easycrete®



Elitecrete™



FRCcrete®



Perviouscrete™



H & R Johnson (India)

H & R Johnson (India) division was established in 1958. This division is the pioneer of ceramic tiles in India. Spanning for nearly six decades, HRJ has added various product categories to offer complete solutions to the customers. As of today, HRJ is one of the few entities in India offering end-to-end solutions of Tiles, Sanitaryware, Bath Fittings and Engineered Marble & Quartz. The Division's tiles and bathroom products are sold under four strong brands of Johnson, Johnson Marbonite, Johnson Porselano and Johnson Endura. In the space of Ceramic/ Vitrified tiles, HRJ along with its joint ventures and subsidiaries

has a capacity of over 68 mn sq mtr per annum spanning across 13 manufacturing plants across the country which is one of the largest in India. The Bathroom products include bath fittings and sanitary ware with two manufacturing plants at Baddi (HP) and Samba (J&K).

HRJ is an equal partner in ARDEX Endura (India) Pvt Ltd alongwith a German partner. The JV produces tile fixing adhesives, grouts, industrial flooring and water proofing products. It has four plants in Bengaluru, Baroda, Durgapur and Alwar along with Pan India branch network.



Operational review:

- Positive volume growth in FY18 after double digit decline in FY17
- Improvement in operating performance during FY18
- Sales organisation sub classified into 4 verticals viz Johnson, Marbonite, Endura and Porselano. This is expected to bring in greater focus and improved performances overall
- Expanding product ranges. More than 200 newSKUs launched across 12 product categories
- Demand generation activities undertaken. Key amongst them are influencer engagement and opening of five large formats display centre in Guwahati, Chennai, Kolkata, Coimbatore and Kochi. More display centres are planned going forward
- Covering White Spaces and Cost management program

Financial Review (Consolidated):

Particulars	FY18	FY17	FY16	FY15	FY14
Revenues (₹ Cr)	1685	1715	2228	2227	1916
EBITDA (₹ Cr)	63	8	77	78	45
Margin (%)	3.7	0.5	3.4	3.5	2.3

Notes:

- FY16, FY17 and FY18 are as per IND-AS. FY17 and FY18 revenue figures are net of excise duty
- FY14 and FY15 are as per IGAAP
- Previous numbers are re-grouped wherever necessary

Customer Engagement



Chennai DC



Inaugurated on 15th November 2017

Guwahati DC



Inaugurated on 24th November 2017

Kolkata DC



Inaugurated on 28th November 2017

Coimbatore DC



Inaugurated on 25th January 2018

Kochi DC



Inaugurated on 18th March 2018




www.redrampproject.org to follow the initiative and know how you can help in creating accessible-friendly spaces in India.' At the bottom, it says '#redrampproject' and 'A social initiative by JOHNSON TILES HOT JUST TILES. LIFESTYLES!'."/>

OVER 12 MILLION PEOPLE CAN'T SEE THIS AD.
IF YOU CAN, THIS IS YOUR CHANCE TO HELP MAKE A DIFFERENCE.

Of the 28 million people across the globe who are blind, over 12 million are from India. The Red Ramp Project by H&R Johnson has touched many lives. What started off as a simple ramp on a beach, came to represent a much larger cause - an accessible-friendly India. Our range of tactile paving and tactile coproducts in creating public spaces that are accessible-friendly for the physically and the visually challenged. The unique non-slip, anti-slip tactile with attractive surface patterns are collectible underfoot by a long time, thereby helping visually challenged people traverse independently. Log on to www.redrampproject.org to follow the initiative and know how you can help in creating accessible-friendly spaces in India.

#redrampproject A social initiative by **JOHNSON TILES**
 HOT JUST TILES. LIFESTYLES!

info@johnsontiles.com Customer Care: 1800-02-1484'."/>

JOHNSON ENDURA INDUSTRIAL TILE SOLUTIONS **Stepping Stone**
STAY ONE STEP AHEAD OF THE GAME.

Presenting Step Tiles and Risers that redefine safety and durability.
 Johnson Endura brings yet another revolutionary product, the Stepping Stone range of tiles. These full-bodied vitrified tiles come with embossed thread lines and bull nosing that provide extra grip. Which means, they are safer, easier to install, and take lesser time for completion than conventional tiles. High on durability and low on maintenance, the Stepping Stone range promises years of trouble-free performance.

Contact us with us on Facebook, YouTube, Instagram, LinkedIn, Twitter, Email: info@johnsontiles.com
 Customer Care: 1800-02-1484

info@johnsontiles.com Customer Care: 1800-02-1484'."/>

60 JOHNSON PORCELANO BEAUTIFUL INSPIRATIONS **RCS ROYAL CARE SLABS**
Grandeur in size meets grandeur in design.
Introducing Royal Care large format slabs from Johnson Porcelano
 Royal Care Slabs collection recreates the charm of exotic marbles, stones, woods and even concrete textures in an awe-inspiring sizes of 120 x 240 cm and 150 x 150 cm. It's a slab that is nothing short of a wonder. Larger sizes ensure fewer joints giving a seamless, specular look to the interiors. In all its royalty and grandeur, it offers functionality like none other. High on design quotient, the Royal Care Slabs are also bestowed with Johnson's signature Germ Free and Stain Free properties, providing hygiene and a fresh look to the slabs for years. Despite its imposing size this new range is just 9 mm slim, simplifying its handling and installation. With its breathtaking designs and unique look-match effects the new Johnson Royal Care range helps you express your discerning taste in as many different ways. It's luxury as you've never seen before.

Contact us with us on Facebook, YouTube, Instagram, LinkedIn, Twitter, Email: info@johnsontiles.com
 Customer Care: 1800-02-1484

COMPANY OWNED DISPLAY CENTRES

- Coimbatore:** H&R Johnson (India), Elysium tower,
 No.21 ATT Colony, Parkgate Road,
 Coimbatore – 641018
 • Phone – 0422 – 2548439
- Kochi:** House of Johnson, Door No.11/300 F,
 Next to VTJ Hyundai, NH-47, Kudanoor,
 Maradu, Ernakulam - 682304
 • Phone – 0484 4098510
- Chennai:** House of Johnson, 82,84 & 86 Bascon Maeru,
 1st floor, Kodambakkam High Road,
 Nungambakkam, Chennai 600034.
 • Phone – +91 9445390095/9600058454
- Kolkata:** House of Johnson Experience Centre,
 83 JBS Haldane Avenue, TOPSIA Trinity Towers,
 Kolkata 700046.
 • Phone – (033) 46021880/46023287
- Guwahati:** House of Johnson, 1st Floor,
 Above Royal Riders Honda, Near Rahul Kata,
 Pub Boragaon, Garchuk, Guwahati – 781035
 • Phone – +91-7604092937

CONSOLIDATED FINANCIAL REVIEW

During the year, total income from operations stood at ₹ 5,641 crores as against ₹ 5,563 crores in FY17. The Cement Division revenues increased by 5% at ₹ 2,453 crores compared to the last year's ₹ 2,347 crores. The HRJ Division revenues de-grew by 8% at ₹ 1,726 crores compared to the last year's ₹ 1,882 crores. The RMC Division revenues increased by 8% at ₹ 1,376 crores compared to the last year's ₹ 1,274 crores. The above numbers are not comparable as previous year numbers include excise duty for the full year. Overall EBITDA were at ₹ 442 crores in FY18 as compared to ₹ 357 crores in FY17. The EBITDA margin were at 7.8% in FY18 as compared to 6.4% in FY17.

Outlook

The Government's emphasis on pushing infrastructure development continues by ensuring increased funds for roads & highway construction, railways and irrigation segment. The road and power transmission segment has seen higher ordering during second half of FY18. Government's continued thrust on core schemes such as 'Make in India', 'Smart Cities', 'Housing for All by 2022', 'Dedicated Freight Corridors', 'Swachh Bharat Abhiyan', 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT) will bolster the construction industry leading to increased demand for cement, tiles and ready mix concrete.

The urban real estate segment has witnessed lower demand in past, however there are few pockets, which showed early recovery signs.

The prediction of better monsoon for the second consecutive year also augurs well for all the three Divisions.

The Company sells its cement in three States – Uttar Pradesh, Madhya Pradesh and Bihar. These States have also re-aligned with Government's thrust on development as core agenda with

increasing spend on infrastructure and housing in State Budgets. The Government's emphasis on improving the agricultural productivity, farm income and rural infrastructure augers well for cement demand in the above regions in the medium to long term. The Cement Division's capital employed is at an attractive level of ~\$34 per tonne. This would lead to higher return on capital employed as utilization levels go up.

The HRJ Division continues to possess robust distribution network, strong brand equity, wide-spread manufacturing locations, and a comprehensive product portfolio in the tiles and bathroom segment. The focus is on working capital management. The Division has undertaken several demand generation initiatives over the past few quarters. Key amongst them are influencer engagement and opening of five large formats display centers in Guwahati, Chennai, Kolkata, Coimbatore and Kochi. Implementation of GST would result in benefit for organized



sector including the company in the medium term. The industry has yet to realize the shift from unorganized players. Efforts are also on to increase the presence in unrepresented markets. The above initiatives would lead to better utilization levels going ahead, leading to operating leverage.

The markets in many of the metros are expected to see a turnaround in the medium term as economy picks up and construction activities resume. With the Mega Projects Vertical, RMC Division is focusing to cater the infrastructure segment, which has witnessed significant increase in order book. The Company has taken measures, which going forward would help to improve operational efficiency and productivity. The markets in tier 2 & tier 3 cities have also been showing maturity which will help industry's growth.

Overall PRISM JOHNSON as a Company is well placed with cost initiatives, product basket and operating efficiencies to leverage the growing opportunities.

Risks and Concerns:

Economic Risk: The impact of macroeconomic variables such as a slowdown in the economic activity especially real estate, construction and infrastructure sector would have an adverse effect on the Company's performance.

Measures: The Company has strategies in place that monitors the environment and aims to mitigate this risk.

Political Risk: The delay in the Government approvals such as giving clearances to the projects, procurement of land for various developments can impact the growth of the Company.

Measures: Prism Johnson has diversified business segment to mitigate the risk factor. Additionally, the Governments' intention on infrastructure development and measures taken to improve execution provides ample growth opportunity.

Credit Risk: There can be a delay in payments from the existing clients which can hamper the cash flows for the Company.

Measures: The Company has diversified customer base spread across institutional and retail clients which mitigate the risk of delay in cash flows. Prism Johnson continues to focus on working capital management.

Cost Risk: The cost of input materials such as rise in the fuel cost and competitive pricing can stress the balance sheet.

Measures: The Company has won coal linkages and bought a stake in power generation Company which to an extent address the impact of cost. The Company has a team in place, which focuses on procurement and pricing of various fuels on timely basis. However complete ban on pet-coke could have some impact on overall costs.



Human Resource

Over the years the role of Human Resource has evolved and still it continues to evolve in line with Business Growth.

Today, Human Resource has become collaborative in achieving organization's objective.

We at Prism Johnson, with an employee base of 5,396, believe in nurturing and developing the Human Capital. Human Resource plays an instrumental role in following ways at Prism Johnson.

- **Partnering with Business**

Identifying the need of the Business and aligning Human Capital, Policies & process accordingly to drive the Business results and Performance Management

- **Sustainability & Growth**

It is crucial to adapt to latest technology advances for viability and longevity and thus at Prism Johnson we have introduced Digital transformation through implementing state of the art ERP system like SAP to ensure the speed and accuracy

- **Engaging with Employees**

Prism Johnson strives to keep its workforce happy and highly engaged. There are series of initiatives like Leadership Meet, Potential & Skill development programs, ED & CEO connect session with employees, Also Introduction of Rewards & Recognition Programs, Incentive Scheme to boost the performance and reward the same. In order to keep our employees abreast with the key developments in management & business, Training Programs and Workshops are organized at all levels and on regular basis



Internal Control Systems

The company has a proper and adequate system of internal controls commensurate with the size, scale and complexity of its operations to provide assurance on accuracy, completeness and timely preparation of accounting records, adherence to the company's policies, security of its assets and prevention and detection of frauds/errors. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Over and above Company's in-house Internal Audit team, the company has also appointed external auditors to ensure compliance and effectiveness of the internal control systems. The Internal Audit reports are regularly circulated for perusal of senior management for taking appropriate action as required.

A risk based program of internal audits and management reviews provides assurance to the Audit Committee regarding the adequacy and effectiveness of internal controls. Properly documented policies, guidelines and procedures are laid down for this purpose. The Audit Committee regularly reviews the Internal Audit Reports as submitted by internal and external auditors and also approves the annual audit plan.



CORPORATE SOCIAL RESPONSIBILITY



Prism Cement remains committed to carry the responsibility of sustainable growth by transforming the challenges it faces into value creation opportunities. The principles of sustainable growth extend to our CSR initiatives, which focus on holistic development of the local community and create social, ecological and economic value to the society are:



We believe infrastructure development has a lasting impact and drives society towards growth. In a step towards this direction, building WBM roads & PCC roads, construction of cremation sheds and other rural infrastructure developments works are carried out.

The company has a full-fledged Medical Centre, with diagnostic facility like Digital X-Ray, Pathology Lab, Occupational Health diagnostic equipments as well as Dentistry. The Company conducts Special Mega Medical Camps, Mobile Health Van Services and 24 hours free ambulance, School Child health check-up. The company is also sponsoring cataract surgery and providing assistance to government health schemes. Company also constructs toilets blocks in nearby government schools.



For promotion of education, the company provides support for infrastructure development of government schools through renovation of buildings, providing furniture like desk table, dari and fans for sitting arrangement and uniform distribution to students.

The company is aware about its environment sustainability responsibility and conducts its manufacturing operations in a highly efficient manner without compromising with the ecological sustenance. For conservation of environment company works towards planting of saplings in villages and mines areas. The Company provides saplings, grouting tree guards to villagers and students and conducts awareness programs on environment sustainability.





The company has been distributing clean water supply to the community by distributing bore well water through mobile tankers and operates water booths at strategic points in villages in the peak of summer season. Installation of hand pumps, cleaning of rivers, deepening of pond and construction of water harvesting structures are the focus area of the company.

The company recognizes women empowerment as a priority segment. Hence, the company arranges different vocational trainings like beautician course and papad and pickle making. For unemployed youth the company arranges drivers training, basic computer training and for agriculture development farmers training are organized.



Promoting a healthy life style, the company has always been seen as a significant factor to enhance sports activities in the community by sponsoring different tournaments like cricket, football, badminton, volleyball etc. Development of playgrounds and sport facilities in rural areas is also carried out.

The company is creating social awareness on health, education, gender equality, environment, water conservation and drug abuse by slogan writing as well as supporting charitable trusts, NGO's and other such other institution engaged in social welfare and development. The company also provides its support to overcome natural calamities and disasters by providing rescue of marooned villagers, providing logistics, food and shelters and medical aid as well as repairing of roads.





REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company is committed to good corporate governance by maintaining a simple and transparent corporate structure, which promotes the long-term interests of stakeholders, strengthens Board and management accountability and helps build public trust in the Company. The Company and its Board of Directors firmly believe that strong governance is integral to creating value on a sustainable basis while considering the interests of other entities impacted by the Company - employees, the environment and even communities.

The Board of Directors has established processes which provide a framework for the effective governance of the Company. The practices mandated by the regulations are adopted and the Company has established its procedures and systems in order to remain always compliant.

1. Board of Directors

Composition and Attendance

- i. The Board has a good mix of Executive and Non-executive Directors including Independent Directors. It consists of Directors with the appropriate balance of skills, experience, independence and knowledge of the Company which enable it to discharge its responsibilities and provide effective leadership to the business. The Directors on the Board are competent and renowned persons from the fields of management, manufacturing, finance, economics, law, etc.
- ii. As on March 31, 2018, the total strength of the Board is eight Directors comprising four Executive

Directors and four Non-executive Directors, of which three are independent and one is promoter. The Chairman of the Board is a Non-executive Independent Director.

- iii. During the year ended March 31, 2018, six Board Meetings were held on May 25, 2017, August 8, 2017, August 22, 2017, November 7, 2017, January 8, 2018 and February 14, 2018.
- iv. None of the Directors on the Board is a member on more than ten Audit Committees/Stakeholders Relationship Committees of public listed companies and Chairman of more than such five Committees across all the public listed companies in which he/she is a Director.
- v. None of the Directors serves as an Independent Director in more than seven listed companies. None of the Executive Directors serves as an Independent Director in more than three listed companies.
- vi. None of the Non-executive Directors have any material pecuniary relationship or transactions with the Company.
- vii. None of the Directors have any inter-se relation among themselves and/or with any employee of the Company.
- viii. The following table gives details for the financial year 2017-18 of Directorship, Category, attendance at Board Meetings and at the last Annual General Meeting and number of memberships of Board/ Committees of various other public companies :

Name & Designation	Category of Directorship	DIN	Particulars of Attendance		* Number of Directorship(s) held in Indian public limited companies (excl. Prism Johnson Limited)	** Committee(s) position (excl. Prism Johnson Limited)	
			Board Meeting	Last AGM		Member	Chairman
Mr. Shobhan M. Thakore <i>Chairman</i>	Non-executive Independent	00031788	6	Yes	8	7	2
Mr. Rajan B. Raheja	Non-executive Non-independent	00037480	6	No	5	1	—
Mr. Vijay Aggarwal <i>Managing Director</i>	Executive Non-independent	00515412	6	Yes	5	3	2
Mr. Vivek K. Agnihotri <i>Executive Director & CEO (Cement)</i>	Executive Non-independent	02986266	5	Yes	—	—	—

Name & Designation	Category of Directorship	DIN	Particulars of Attendance		* Number of Directorship(s) held in Indian public limited companies (excl. Prism Johnson Limited)	** Committee(s) position (excl. Prism Johnson Limited)	
			Board Meeting	Last AGM		Member	Chairman
Mr. Joydeep Mukherjee <i>Executive Director & CEO (HRJ)</i>	Executive Non-independent	06648469	6	Yes	—	—	—
Mr. Atul R. Desai <i>Executive Director & CEO (RMC)</i>	Executive Non-independent	01918187	6	Yes	—	—	—
Ms. Ameeta A. Parpia	Non-executive Independent	02654277	6	Yes	3	3	1
Dr. Raveendra Chittoor \$	Non-executive Independent	02115056	3	Yes	—	—	—
Mr. J. A. Brooks #	Non-executive Independent	00142045	3	Yes	—	—	—

* Excludes directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

** Only Audit Committee and Stakeholders Relationship Committee positions considered.

\$ Appointed w.e.f. July 3, 2017.

Resigned on November 7, 2017.

Board Meetings

The Board meets at regular intervals to review, *inter alia*, the financial performance of the Company and on other matters requiring its decisions and directions. The tentative yearly calendar of the meetings is finalised before the beginning of the year. Additional meetings are held as and when necessary. The Chairperson of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meetings.

The Independent Directors take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of the business, policy matters, governance, compliance, etc., and strategic issues which aid in the decision making process of the Board.

The Board periodically reviews matters such as strategy and business plans, annual operating and capital expenditure budgets, adoption of quarterly/half-yearly/annual financial results, investors' grievances, borrowings and investments, issue of securities, compliance certificates, minutes of meetings of the Committees of Directors of the Board and the subsidiary companies including agenda suggested in Schedule V to SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and to the extent applicable. A detailed operations report is also presented at every Board Meeting.

The agenda for the Board and its Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision and in exceptional cases, additional items of agenda are tabled at the meeting. However, in case of special and urgent business needs, the Board/Committee approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed at the subsequent Board/Committee meeting.

The Company has developed an in-house application for transmitting Board/Committee agenda and supporting documents. The Directors of the Company receive the agenda and supporting documents in electronic form through this application. The application meets requisite standards of security and integrity that is required for storage and transmission of Board/Committee agenda and supporting documents in electronic form.

The Company Secretary and the Chief Financial Officer are invited to attend all the Board Meetings.

Familiarisation of Independent Directors

The Company has formulated a policy to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Upon appointment, Directors receive a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.



Presentations are regularly made to the Board Members covering, *inter alia*, business environmental scan, the business strategies, operations review, quarterly/half-yearly/annual financial results, budgets, review of internal audit reports, statutory compliances, risk management, operations of subsidiaries and joint ventures, etc. In addition, the Independent Directors are also taken through various business and functional sessions in the Board meetings to discuss strategy.

The details of familiarisation programme for Independent Directors have been disclosed on the website of the Company <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

Governance Codes

a. Code of Conduct

The Board of Directors of the Company has laid down two separate Codes of Conduct - one for Directors and the other for Senior Management & Employees. These Codes are hosted on the Company's website <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

b. Insider Trading Code

In compliance with the SEBI Regulations on prohibition of insider trading, the Company has adopted the following Codes :

- i. Code of Conduct for Prohibition of Insider Trading in Securities of Prism Johnson Limited to regulate, monitor and report trading by Insiders, Designated Persons and such other persons to whom this Code is applicable.
- ii. Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code is uploaded on the website of the Company <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

The Codes, *inter alia*, prohibit trading in the securities of the Company by Directors/employees/insiders while in possession of unpublished price sensitive information in relation to the Company.

Independent Directors Meeting

During the year under review, a meeting of the Independent Directors of the Company was held on February 14, 2018, *inter alia*, to discuss the evaluation of

the performance of Non-independent Directors and the Board as a whole, evaluation of the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-executive Directors and evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by Ms. Ameeta A. Parpia, Mr. Shobhan M. Thakore and Dr. Raveendra Chittoor.

2. Board Committees

The Board has constituted Committees to deal with specific areas and functions which concern the Company and require closer review. The constitution of the Committees, fixing of terms of reference, appointment of members, etc., are determined by the Board. Recommendations of these Committees are submitted to the Board for approval. These Committees meet from time to time and the minutes of their meetings are periodically placed for the review of the Board.

Apart from the Board members, the Chief Financial Officer is invited to attend the the Committee Meetings. Other senior management executives and advisors/consultants are called as and when necessary, to provide additional inputs for the items being discussed by the Committee(s).

The Company Secretary acts as the Secretary to all the Committees.

The Board currently has the following Committees :

A. Audit Committee

The Audit Committee of the Company is constituted pursuant to the provisions of the Companies Act, 2013 and the SEBI LODR. As on March 31, 2018, the Audit Committee comprised of three Non-executive Independent Directors. All the members have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee has met nine times during the year ended March 31, 2018 on May 23, 2017, May 25, 2017, August 7, 2017, August 8, 2017, August 22, 2017, November 6, 2017, November 7, 2017, February 13, 2018 and February 14, 2018. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia <i>Chairperson</i>	Non-executive Independent	9
Mr. Shobhan M. Thakore	Non-executive Independent	9
Dr. Raveendra Chittoor *	Non-executive Independent	4
Mr. J. A. Brooks #	Non-executive Independent	6

* Appointed as Member w.e.f. August 8, 2017

Resigned on November 7, 2017

The terms of reference of the Audit Committee cover the matters specified in Section 177 of the Companies Act, 2013 to, *inter alia*, include :

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Examination of the financial statements and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Evaluation of internal financial controls and risk management systems.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.

The terms of reference and powers of the Committee are also in accordance with the requirements of SEBI LODR and, *inter alia*, include :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to auditors for any other services rendered by them.
- Review of the internal control systems with the management, internal auditors and auditors.

- Review with the management the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, disclosure of related party transactions, qualifications in the draft audit report, if any, compliance and other legal requirements concerning financial statements.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.
- Review Management Discussion and Analysis.
- Review the functioning of the Whistle Blower mechanism.
- Review and discuss with the Management the internal financial controls and risk management systems.
- Review transactions with related parties and grant omnibus approval for transactions which are in the normal course of business and on an arm's length basis and to review and approve such transactions subject to the approval of the Board, wherever necessary.
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc., of the candidate.
- Review financial statements and investment of unlisted subsidiary companies.
- Any other terms of reference as may be included from time to time.

The Committee has, during the year ended March 31, 2018, reviewed each area as laid down in the terms of reference stipulated by the Board and the applicable regulations.

The representative of the Auditors is invited to all the Audit Committee Meetings which have been attended by them. The representatives of the Internal Auditors and the Cost Auditors are invited for the Audit Committee Meetings at which their respective reports are placed. All the Audit Committee Meetings are generally attended by Senior Management Executives of the Company.

B. Nomination & Remuneration Committee

As on March 31, 2018, the Nomination & Remuneration Committee ('NRC') comprises



of three Non-executive members of the Board viz. Ms. Ameeta A. Parpia - Chairperson, Mr. Rajan B. Raheja and Dr. Raveendra Chittoor.

The terms of reference are as per the Companies Act, 2013 and SEBI LODR and, *inter alia*, include the following :

- a. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- b. Formulate and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully, relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c. Review the performance of the Board of Directors.
- d. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

During the year ended March 31, 2018, two meetings of the NRC were held on May 25, 2017 and August 22, 2017. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia	Non-executive Independent	2
Mr. Rajan B. Raheja	Non-executive Non-independent	2
Dr. Raveendra Chittoor *	Non-executive Independent	—
Mr. J. A. Brooks #	Non-executive Independent	1

* Appointed as Member w.e.f. August 8, 2017

Resigned on November 7, 2017

Performance Evaluation

In accordance with the provisions of the Companies Act, 2013, SEBI LODR and the Policy framed by the

Board for Performance Evaluation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors. The performance evaluation of the Independent Directors and every Director was also done by the Nomination & Remuneration Committee.

The structured questionnaires prepared in line with the SEBI Guidance Note on Board Evaluation covering various aspects such as structure, attendance at the meetings, participation and contribution, functions, knowledge and competency, initiative, commitment, team work, discussions at the Board/Committee Meetings, understanding of the business of the Company, strategy and quality of decision making, etc. were used for the said purpose. The Directors expressed their satisfaction with the performance and the evaluation process.

Remuneration Policy

The objective of the Remuneration Policy of the Company for members of the Board of Directors, Key Managerial Personnel, Senior Management and other Employees is to focus on enhancing the value, to retain and motivate Employees and Directors for achieving the objectives of the Company and to place the Company in a leadership position.

The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013 and criteria pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

a. Criteria of making payments to Non-executive Directors

The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee/General Body meetings and commission as under :

- (i) The Non-executive Directors are paid sitting fees for attending the Board and Audit Committee meetings as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014. Non-executive Directors are currently paid sitting fees of ₹ 50,000/- for attending every meeting of the Board and ₹ 40,000/- for attending every meeting of the Audit Committee.

- (ii) Apart from this, Non-executive Directors (NEDs) are entitled to be paid commission not exceeding 1% of the net profits of the Company, with effect from April 1, 2014. The distribution of commission amongst the NEDs shall be approved by the NRC/Board.
- (iii) The details of sitting fees paid and payment of commission provided for Non-executive Directors for the year ended March 31, 2018 is as under :

₹ Crores

Name of Member	Sitting Fees	Commission	Total
Mr. Rajan B. Raheja	0.03	—	0.03
Ms. Ameeta A. Parpia	0.07	0.13	0.20
Mr. Shobhan M. Thakore	0.07	0.15	0.22
Dr. Raveendra Chittoor	0.03	0.08	0.11
Mr. J. A. Brooks	0.04	0.33	0.37

Notes :

- i. *Sitting fees paid for Board and Audit Committee Meetings.*
- ii. *The Commission for the financial year ended March 31, 2018 will be paid to Independent Directors, subject to deduction of tax, after adoption of financial statement by the Members at the AGM to be held on August 8, 2018.*

b. Executive Directors

- The term of office and remuneration of Managing Director and Executive Director & CEOs are subject to the approval of the NRC/Board of Directors and shareholders, as may be required and the limits laid down under the Companies Act, 2013 and Schedule V thereto, from time to time.
- The remuneration for the Managing Director and Executive Director & CEOs is designed to remunerate them fairly and responsibly. The remuneration comprises of salary, allowances, perquisites and

performance based incentive, wherever applicable, apart from retirement benefits such as Provident Fund, Annuity Funds, Gratuity, Leave encashment, etc., as per Rules of the Company and as may be mutually agreed to by the Managing Director/Executive Director & CEO(s) and the NRC/Board.

- While considering the appointment and remuneration of the Managing Director and Executive Director & CEOs, the NRC considers the industry benchmarks, merit and seniority of the person. The NRC also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.
- The tenure of the Managing Director and Executive Director & CEOs is for three years and can be terminated by either party by giving six months' notice in writing.
- The Company does not pay any sitting fees, severance fee and no stock option is granted to the Managing Director/Executive Director & CEOs.

Details of the remuneration paid for the year ended March 31, 2018 are as under :

₹ Crores

Name	Designation	Remuneration	Date of Appointment
Mr. Vijay Aggarwal	Managing Director	8.56	March 3, 2016
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	3.21	August 17, 2015
Mr. Joydeep Mukherjee	Executive Director & CEO (HRJ)	2.76	March 3, 2016
Mr. Atul R. Desai	Executive Director & CEO (RMC)	2.64	August 29, 2016

Remuneration includes salary, allowances, perquisites, contribution to provident and annuity funds, etc. : ₹ 13.06 Crores and performance incentive : ₹ 4.11 Crores.

c. Senior Management Employees

The Company while deciding the remuneration of the Senior Management employees takes into consideration, *inter alia*, the merit and seniority of the person, employment scenario and industry benchmarks.



The remuneration of the Senior Management employees is based on :

1. A fixed base salary - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. Perquisites - in the form of house rent allowance/accommodation, reimbursement of medical expenses, insurance, conveyance, telephone, leave travel, etc., as may be mutually agreed and applicable as per Company Rules.
3. Retirement benefits - contribution to provident fund, superannuation, annuity funds, gratuity, etc., as may be applicable as per Company Rules.
4. Motivation/Reward - A performance appraisal is carried out annually and promotions/increments/rewards are decided based on the appraisal and recommendation of the Managing Director/concerned Executive Director & CEO, wherever applicable, as per Company Rules.

d. Details of shares of the Company held by the Directors as on March 31, 2018 are as under :

Name	No. of shares
Mr. Rajan B. Raheja	5,14,06,327
Ms. Ameeta A. Parpia	76,000

None of the other Directors hold any shares in the Company. None of the Directors hold any convertible instruments in the Company.

C. Stakeholders Relationship Committee

As on March 31, 2018, the Stakeholders Relationship Committee comprises of Ms. Ameeta A. Parpia, Independent Director as the Chairperson and Mr. Vijay Aggarwal, Managing Director as the member of the Committee. The terms of reference include :

- Overseeing and reviewing all matters connected with the transfer of the Company's securities.
- Consider, resolve and monitor redressal of investors'/shareholders'/security-holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend, etc.
- Overseeing the performance of the Company's Registrar & Transfer Agent.

- Carry out any other function as is referred to by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee has met four times during the year ended March 31, 2018 on May 25, 2017, August 8, 2017, November 7, 2017 and February 14, 2018. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia	Non-executive Independent	4
Mr. Vijay Aggarwal	Executive Non-independent	4

The Board has designated Ms. Aneeta S. Kulkarni, Company Secretary, as Compliance Officer. During the year ended March 31, 2018, eleven complaints were received from investors, which were resolved satisfactorily. As on March 31, 2018, there were no pending investor complaints.

D. Securities Allotment & Transfer Committee

The Company's securities are traded in the dematerialised form on the Stock Exchanges. The Committee is responsible, *inter alia*, for issue and allotment of securities, issue of duplicate/split/consolidated certificates, share transfer and related applications received from shareholders. As on March 31, 2018, the Committee comprises of Mr. Vijay Aggarwal - Chairman, Mr. Vivek K. Agnihotri - Member, Mr. Joydeep Mukherjee - Member and Mr. Atul R. Desai - Member.

The Committee has met six times during the year ended March 31, 2018 on May 25, 2017, August 8, 2017, November 7, 2017, November 10, 2017, November 27, 2017 and February 14, 2018. The details of attendance of the Committee Members are as follows :

Name of Member	No. of Meetings
Mr. Vijay Aggarwal	6
Mr. Vivek K. Agnihotri	6
Mr. Joydeep Mukherjee	4
Mr. Atul R. Desai	6

To expedite the process of share transfers in physical segment, officers of the Company have

been authorised to approve share transfers and transmission(s) and review all other matters connected with the Company's securities.

E. Corporate Social Responsibility Committee

The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee with the following objectives :

- (i) To formulate and recommend a CSR policy to the Board and the amount of expenditure to be incurred on CSR activities;
- (ii) To monitor the implementation of the CSR policy of the Company from time to time;
- (iii) To institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company.

During the year ended March 31, 2018, two meetings of the CSR Committee were held on May 23, 2017 and February 13, 2018. As on March 31, 2018, the composition of the CSR Committee and the details of attendance at the meetings are as under :

Name of Member	Designation	No. of meetings
Mr. Vijay Aggarwal	Chairman	2
Ms. Ameeta A. Parpia	Member & Independent Director	2
Mr. Vivek K. Agnihotri	Member	2
Mr. Joydeep Mukherjee	Member	2
Mr. Atul R. Desai	Member	2

F. Risk Management Committee

Risk management is integral to the Company and is controlled through awareness, training, discipline, commitment and prudent risk management strategies. The risk management framework is designed to assess, measure and control risks, including procedures for mitigating concerns, monitoring compliance with standards and reporting results to the appropriate operations and management groups.

The Board of Directors has constituted a Risk Management Committee with the following broad objectives :

- Assess and provide oversight to the management relating to the identification and evaluation of major strategic, operational, regulatory, information and external risks

inherent in the business of the Company and the control processes with respect to such risks.

- Overseeing the risk management, compliance and control activities of the Company, including without limitation, the development and execution by management of strategies to mitigate risks.
- Overseeing the integrity of the Company's systems of operational controls regarding legal and regulatory compliance.
- Overseeing compliance with legal and regulatory requirements, including, without limitation, with respect to the conduct of the Company's business.
- Obtaining assurance from the Management that all known and expected risks are identified and mitigation steps are taken.

During the year ended March 31, 2018, four meetings of the Risk Management Committee were held on May 23, 2017, August 7, 2017, November 6, 2017 and February 13, 2018. The composition of the Risk Management Committee as at March 31, 2018 and the details of attendance at the meetings of the Committee is as under :

Name of Member	Designation	No. of Meetings
Mr. Vijay Aggarwal	Chairman	4
Ms. Ameeta A. Parpia	Member	4
Mr. Vivek K. Agnihotri	Member	4
Mr. Joydeep Mukherjee	Member	4
Mr. Atul R. Desai	Member	4
Mr. Manish Bhatia *	Member	2
Ms. Aneeta S. Kulkarni	Member	4
Mr. Pramod K. Akhramka #	Member	2

* Appointed w.e.f. August 22, 2017

Resigned on August 22, 2017

3. Whistle Blower Policy

The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. Accordingly, the Board has established a vigil mechanism by adopting a 'Whistle Blower Policy' for stakeholders including Employees and Directors and their representatives to freely communicate their concerns about illegal or unethical practices.



The Whistle Blower Policy provides a mechanism for stakeholders including Employees and Directors and their representatives to approach the Corporate Governance Cell/Chairman of the Company/Chairperson of the Audit Committee of the Company. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Policy is hosted on the website of the Company <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

4. Subsidiary Company

All subsidiary companies are Board managed with their Boards exercising the duties and powers to manage such companies in the best interest of their stakeholders. The Company has formulated a policy for determining 'material' subsidiaries and the same is disclosed on the website of the Company <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>. As on March 31, 2018, Raheja QBE General Insurance Company Limited (RQBE), is a material non-listed subsidiary company in terms of the SEBI LODR.

Ms. Ameeta A. Parpia and Mr. Shobhan M. Thakore, Independent Directors of the Company, are appointed as Independent Directors on the Board of RQBE.

The operations and performance of the subsidiary companies are reviewed on a quarterly basis as under :

- (i) The minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the subsidiary companies.
- (ii) The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the subsidiary companies.

5. Related Party Transactions

The Board has approved a policy on materiality of related party transactions and dealing with related party transactions which has been uploaded on the Company's website <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

The Company's major related party transactions are generally with its subsidiaries, joint ventures and associates to further the Company's business interest.

Attention of the members is drawn to the details of transactions mentioned in the Annexure 'C' forming part of the Directors' Report.

All other transactions entered into with related parties as defined under the Companies Act, 2013 and the SEBI LODR during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the year ended March 31, 2018 which were in conflict with the interests of the Company. Details of such related party transactions are given in Note 4.08 of the Standalone Financial Statements forming part of this Annual Report.

6. Disclosures

- 1) There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years.
- 2) The Board of Directors has established a vigil mechanism by adopting a Whistle Blower Policy for the Company which is available on the Company's website. No personnel has been denied access to the Audit Committee.
- 3) The Company has complied with the disclosures of corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the SEBI LODR.

4) (i) Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI LODR.

(ii) Discretionary Requirements

- a. Non-executive Chairman's Office : The Chairman's office is separate from that of the Managing Director and is maintained by the Chairman himself.
- b. As the quarterly and half-yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website and the websites of BSE and NSE, the same are not being sent separately to the shareholders.
- c. The annual financial statements of the Company are unmodified.
- d. The Company has appointed separate persons

to the posts of Chairman, Managing Director and Executive Directors.

- e. The Internal Auditors have access to the Audit Committee.

- 5) The Company has followed all relevant Accounting Standards prescribed under the Companies Act, 2013 and Rules thereunder and the guidelines issued by Securities Exchange Board of India while preparing Financial Statements.

7. CEO/CFO Certification

Pursuant to provisions of Regulation 17(8) of the SEBI LODR, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls for the year ended March 31, 2018.

8. General Body Meetings

- (i) Location and time where last three Annual General Meetings were held :

Date of Meeting	Time of Meeting	Venue
August 9, 2017	11.00 a.m.	National Institute for Micro, Small and Medium Enterprises (ni-msme), Auditorium Hall, 2 nd Floor, Training Block, Yousufguda, Hyderabad – 500 045, Telangana.
August 23, 2016	9.30 a.m.	Taj Mahal Hotel,
September 8, 2015	9.30 a.m.	4-1-999, King Koti Road, Abids, Hyderabad – 500 001

- (ii) Three special resolutions were passed at the Annual General Meeting held on September 8, 2015, seven special resolutions were passed at the Annual General Meeting held on August 23, 2016 and two special resolutions were passed at the Annual General Meeting held on August 9, 2017.
- (iii) One special resolution was passed using Postal Ballot during the year ended March 31, 2018 with regard to change in the name of the Company from 'Prism Cement Limited' to 'Prism Johnson Limited'.

Ms. Savita Jyoti, M/s. Savita Jyoti Associates, Practising Company Secretary, Hyderabad was appointed as Scrutiniser for conducting the entire Postal Ballot process in a fair and transparent manner.

The Company had completed the despatch of the Postal Ballot Notice dated January 8, 2018 together with the Explanatory Statement on January 16,

2018, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on January 12, 2018.

The voting under the Postal Ballot was kept open from January 16, 2018 to February 14, 2018 (either physically or through electronic mode).

The result of the Postal Ballot declared on February 15, 2018 was as under :

Total no. of valid votes	43,32,37,160
Total no. of votes assenting the resolution	43,32,36,872
% of votes cast	99.9999
Total no. of votes dissenting the resolution	288
% of votes cast	0.0001

- (iv) Four Special Resolutions are proposed to be passed at the ensuing Annual General Meeting with regard to re-appointment of Mr. Vivek K. Agnihotri as Executive Director & CEO (Cement), Commission to Directors, issue of Non-convertible Debentures on private placement basis and increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities. No Special Resolutions have been proposed to be passed through Postal Ballot.

9. Means of Communication

- The quarterly/half-yearly/annual financial results of the Company are filed with BSE and NSE where the Company's securities are listed.
- The results are thereafter given by way of a press release to various news agencies/analysts and published in the Economic Times (English) and Nava Telangana (Telugu) and are displayed on the Company's website www.prismjohnson.in/ investors/financials.
- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the investors.
- The quarterly/half-yearly/annual financial results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE and NSE are filed electronically on BSE's on-line portal and NSE's NEAPS portal.
- A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends, financial results, annual reports, quarterly compliance reports, communications with the Stock Exchanges, investor presentations and updates and other relevant information of interest to the investors/



public and as mandated by the SEBI LODR and the Companies Act, 2013.

- The official press releases and presentations made to institutional investors/analysts, if any, are also available on the Company's website and are submitted to BSE and NSE.

10. Management Discussion and Analysis is a part of the Annual Report and is annexed separately.

11. General Shareholder Information

A. Annual General Meeting

Date and Time : August 8, 2018 at 10.00 a.m.

Venue : National Institute for Micro, Small and Medium Enterprises (ni-msme), Auditorium Hall, 2nd Floor, Training Block, Yousufguda, Hyderabad – 500 045, Telangana.

B. Financial Calendar

– Reporting for the Quarter ending:

June 30, 2018	–	Within 45 days from the close of the quarter
September 30, 2018	–	
December 31, 2018	–	
March 31, 2019	–	Within 60 days from the close of the financial year
Annual General Meeting for the year 2019	–	Within six months from the close of the financial year

E. Market price data for the year ended March 31, 2018 :

Month	BSE Price		NSE Price	
	High ₹	Low ₹	High ₹	Low ₹
April 2017	122.00	99.95	121.90	99.55
May 2017	125.45	114.45	125.20	114.10
June 2017	121.55	113.70	121.20	114.15
July 2017	126.65	119.75	126.55	119.80
August 2017	121.40	107.85	121.60	107.55
September 2017	114.80	102.30	114.55	102.20
October 2017	120.10	103.35	120.05	103.50
November 2017	122.60	110.55	123.20	110.85
December 2017	119.90	110.40	118.90	110.80
January 2018	148.30	115.40	148.65	115.35
February 2018	137.95	118.25	138.30	118.60
March 2018	126.50	108.45	126.65	108.20

C. Book Closure: Thursday, August 2, 2018 to Wednesday, August 8, 2018 (both days inclusive).

D. Listing on Stock Exchanges

- (i) The Company's equity shares are listed on the following Stock Exchanges :

Name & Address of Stock Exchange	Stock Code/Symbol
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	500338
National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	PRSMJOHNSN

- (ii) The listing fees for the year 2018-19 have been paid to the aforesaid Stock Exchanges.

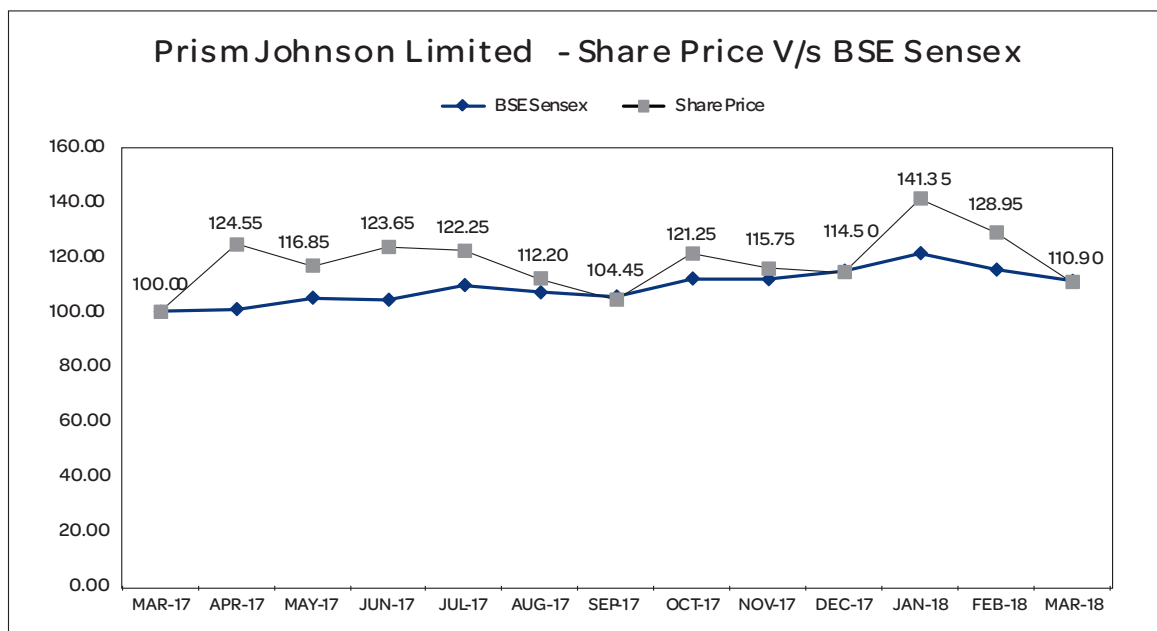
- (iii) The Non-convertible Debentures issued on private placement basis by the Company are listed on BSE Limited.

- (iv) The Company has not issued any Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

Performance in comparison to BSE SENSEX :

Closing value of Company's share price v/s BSE SENSEX on the last trading day of the month.

Base is considered to be 100 as on March 31, 2017.



[Source : www.bseindia.com]

F. Registrar & Transfer Agent

Karvy Computershare Private Limited,
Unit : Prism Johnson Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032.
e-mail : einward.ris@karvy.com
website : www.karvycomputershare.com
Tel. No. : +91-40-6716 1500/1562
Fax No. : +91-40-2300 1153
Toll Free No. : 1800 345 4001

G. Share Transfer System

Share transfers in physical form are processed and returned to the shareholders in the normal course and requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

Half-yearly Share Transfer Audit in terms of the SEBI LODR is regularly carried out by an independent practicing Company Secretary.

Dealing with securities which have remained unclaimed

Pursuant to Regulation 39 of the SEBI LODR, unclaimed and postal returned equity shares have been transferred to the Unclaimed Suspense Account of the Company and shall be transferred to the concerned shareholder upon making a claim to the Company's Registrar & Transfer Agent. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.



Details of the account are as under :

	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year.	142	40,800
(ii)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	Nil	Nil
(iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	Nil	Nil
(iv)	Number of shares transferred to IEPF Authority.	102	30,300
(v)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	40	10,500

H. Transfer of Unpaid/Unclaimed Dividend Amounts/Shares to Investor Education & Protection Fund

➤ **Transfer of unclaimed equity shares into Investor Education and Protection Fund (IEPF) Account**

Pursuant to the provisions of Section 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("the Rules") the Company shall transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government on the specified date.

In accordance with the Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. In terms of the Rules, 24,71,599 shares were transferred during the financial year 2017-18 to the Investor Education and Protection Fund.

➤ **Transfer of Unpaid/Unclaimed Dividend Amounts to Investor Education & Protection Fund**

Pursuant to the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") dividends not encashed/claimed within seven years from the date of declaration are to be transferred to the IEPF.

During the year under review, the Company has transferred unpaid/unclaimed 2nd Interim dividend for the year ended March 31, 2010 and the dividend for the year ended March 31, 2011

to the IEPF. No claim lies against the Company in respect thereof.

The Company shall transfer unpaid/unclaimed final dividend for the year ended March 31, 2012 to the IEPF by July 2019. Shareholders who have not encashed their equity dividend warrants so far are requested to make their claim to Karvy.

The Company has uploaded full details of shares as well as unclaimed dividends transferred on the website of the Company www.prismjohnson.in/investors/IEPF. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

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

I. Distribution of shareholding and shareholding pattern as of March 31, 2018 :

Distribution of Shareholding

Category (shares)	No. of shareholders	No. of shares	% of Shareholding
1 – 100	42,185	31,84,504	0.63
101 – 200	14,833	28,20,393	0.56
201 – 300	5,553	15,83,560	0.31
301 – 400	2,490	9,63,227	0.19
401 – 500	4,859	24,04,844	0.48
501 – 1000	5,684	47,79,015	0.95
1001 – 5000	4,195	93,79,394	1.86
5001 – 10000	444	33,57,571	0.67
10001 – 50000	386	77,94,826	1.55
50001 and above	163	46,70,89,246	92.80
Total	80,792	50,33,56,580	100.00

Shareholding Pattern

Category	No. of Shares	% Shareholding
Promoters	37,68,81,169	74.87
FII/ NRIs/OCBs	3,48,01,049	6.92
Bodies Corporate	1,09,46,680	2.17
Financial Institutions/ Banks/Mutual Funds	2,78,35,734	5.53
Indian Public	5,28,91,948	10.51
Total	50,33,56,580	100.00

J. Dematerialisation of Shares

Trading of the Company's shares is compulsorily in dematerialised form for all investors. As of March 31, 2018, equity shares representing 99.18% have been dematerialised with the following depositories :

Description	ISIN	Depositories
Equity shares	INE010A01011	NSDL & CDSL

K. Commodity price risk or foreign exchange risk and hedging activities

During the year 2017-18, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 4.07 to the Annual Accounts.

L. Addresses

Plant Location

The Company's cement manufacturing facilities are located at Satna, Madhya Pradesh and the cement packing plant is located at Allahabad, Uttar Pradesh. The tile manufacturing facilities are located at Pen, Maharashtra; Dewas, Madhya Pradesh; Kunigal, Karnataka and Karaikal, Puducherry. RMC (India) Division currently operates 92 Ready Mixed Concrete plants and 5 aggregate crushers spread across 44 locations in the country.

Correspondence

Shareholders' correspondence may be addressed to the Registrar & Transfer Agent at Hyderabad and also at inward.ris@karvy.com. Investors can also mail their queries to the Company at investor@prismjohnson.in for redressal.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

M. Details of Debenture Trustee

Axis Trustee Services Limited,
Ground Floor, Axis House,
Wadia International Centre,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 025
e-mail : debenturetrustee@axistrustee.com
website : www.axistrustee.com
Tel. No. : +91-22-6226 0054
Fax No. : +91-22-4325 3000

DECLARATION

As provided under Schedule V(D) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the Code of Conduct for the year ended March 31, 2018.

For **PRISM JOHNSON LIMITED**

VIJAY AGGARWAL
Managing Director

Place : Mumbai
Date : May 29, 2018



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,
Prism Johnson Limited
(formerly Prism Cement Limited)

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with our terms of engagement with Prism Johnson Limited (formerly Prism Cement Limited) ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the financial year ended on March 31 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D & E of Schedule V of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance on internal control and procedures to ensure the compliance with conditions of Corporate Governance stipulated in Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Our responsibility was limited to examining procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out the examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2018.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For G. M. KAPADIA & CO.

Chartered Accountants
Firm Registration No.: 104767W

ATUL SHAH

Partner

Membership No.: 039569

Place : Mumbai
Date : May 29, 2018

DIRECTORS' REPORT

To the Shareholders,

The Directors present the Twenty-sixth Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2018.

FINANCIAL RESULTS (Standalone)

Particulars	₹ Crores	
	2017-18	2016-17
Revenue from operations	5,520.00	5,465.71
Other income	66.16	89.53
Total income	5,586.16	5,555.24
Expenses	5,481.10	5,527.11
Profit/(Loss) before tax	105.06	28.13
Tax expenses	34.65	10.62
Profit for the year	70.41	17.51
Surplus - opening balance	164.44	185.62
Amount available for appropriation	234.85	203.13
Transfer from/to Debenture Redemption Reserve	12.20	(36.34)
Other Comprehensive Income (net of tax)	(0.23)	(2.35)
Surplus - closing balance	246.82	164.44

RESERVES

The Company has transferred an amount of ₹ 12.20 Crores from the Debenture Redemption Reserve to the Retained Earnings pursuant to the redemption of some of the debentures, during the year under review. An amount of ₹ 246.82 Crores is retained in the Statement of Profit and Loss.

DIVIDEND

Pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have approved a Dividend Distribution Policy. The objective of the policy is to lay down the criteria to be considered by the Board before recommending dividend to its shareholders for a financial year and to provide clarity to stakeholders on the profit distribution of the Company. The Board shall consider distribution of profits in accordance with the business strategies, provisions of the applicable regulations and seek to balance the benefit to shareholders of the Company with the comparative advantages of retaining profits in the Company which would lead to greater value creation for all stakeholders.

The Policy is uploaded on the Company's website at <http://www.prismjohnson.in/investors/disclosures-under->

SEBI-LODR-regulations/policies.

The Directors have not recommended any dividend for the financial year ended March 31, 2018 due to conservation of profits.

OPERATIONS

During the year ended March 31, 2018, revenue from operations increased to ₹ 5,520 Crores from ₹ 5,465.71 Crores in the previous year. With improved operational performance, increased volumes and realisations, despite various challenges, the Company earned a profit before tax of ₹ 105.06 Crores and profit after tax of ₹ 70.41 Crores during the year ended March 31, 2018 as against profit before tax of ₹ 28.13 Crores and profit after tax of ₹ 17.51 Crores during the year ended March 31, 2017.

For the year ended March 31, 2018, the consolidated profit after tax for the year of the Company and its subsidiary/joint venture companies amounted to ₹ 55 Crores as against ₹ 14.25 Crores for the previous year ended March 31, 2017.

CHANGE IN NAME OF COMPANY

The name of the Company stands changed from 'Prism Cement Limited' to 'Prism Johnson Limited' pursuant to fresh Certificate of Incorporation issued by the Registrar of Companies, Hyderabad effective April 18, 2018.

The approval of the shareholders was obtained through Postal Ballot for the above change.

SHARE CAPITAL

The paid-up equity share capital was ₹ 503.36 Crores as on March 31, 2018. During the year under review, the Company has not issued shares with differential voting rights neither granted any stock options nor sweat equity.

FINANCE

The Company has repaid/prepaid loans of ₹ 443.15 Crores and tied-up fresh loans of ₹ 510.67 Crores during the year under review to finance, *inter alia*, its repayment of debts, ongoing long term working capital and capital expenditure. The loans were used for the purpose they were sanctioned by the respective banks/financial institutions.

Pursuant to the approval granted by the shareholders, the Company raised ₹ 100 Crores in FY 2017-18 and ₹ 75 Crores in April 2018 by way of privately placed Secured/Unsecured Redeemable Non-convertible Debentures ('NCDs'), to finance, *inter alia*, its refinancing of debt, long term working capital and general corporate purpose. The proceeds of the NCDs issue have been fully utilised for the purposes of the issue. During the year under review, NCDs aggregating ₹ 260 Crores were redeemed in accordance with the terms of



the issue. NCDs aggregating ₹ 100 Crores have been further redeemed in April 2018.

FIXED DEPOSITS

The Company accepted fixed deposits aggregating to ₹ 5.50 Crores during the year ended March 31, 2018. Out of the total 2,329 deposits of ₹ 12.84 Crores from the public and the shareholders as at March 31, 2018, 456 deposits amounting to ₹ 1.50 Crores had matured and had not been claimed as on that date. Since then, 53 of these deposits aggregating ₹ 0.18 Crores have been claimed.

There has been no default in the repayment of the deposits or payment of interest thereon during the year under review. All deposits accepted by the Company are in compliance with the requirement of the Companies Act, 2013 and the Rules thereunder.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred a sum of ₹ 1.31 Crores to the Investor Education and Protection Fund ('IEPF') in compliance with provisions of the Companies Act, 2013 which represents unclaimed/unpaid dividend, unclaimed fixed deposits and unclaimed interest on the fixed deposits.

Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules, 2016, the Company has transferred 24,71,599 equity shares on which dividend has been unpaid or unclaimed for seven consecutive years to the demat account of IEPF Authority.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary, joint venture and associate companies in Form AOC-1 is attached to the Accounts.

The summary of the performance of the Company's subsidiary, associate and joint venture companies included in the consolidated financial statements is presented below :

Subsidiaries

- **Raheja QBE General Insurance Company Limited** ('RQBE'), the general insurance subsidiary witnessed higher growth in its motor portfolio during the year under review. RQBE is in the process of launching new liability products to cater to the growing needs of the consumers.
- **Silica Ceramica Private Limited** has been able to reduce the process losses significantly with continuous efforts during the year 2017-18, which has resulted in

reduction of variable cost. Availability of natural gas, installation of new power generator, change in body composition of the product, introduction of innovative designs, quality assurance, dynamic plant leadership are some of the factors contributing to plant productivity and quality, growth of business and performance of the Company.

- **H. & R. Johnson (India) TBK Limited** ('HRJTBK'), the wholly-owned subsidiary of the Company is in the field of Tile and Bath retail business, having pan India presence. HRJTBK with its subsidiaries & joint ventures has number of showrooms in the style of 'House of Johnson' and 'Johnson Corners' for retail business.
- **Milano Bathroom Fittings Private Limited**, the wholly-owned subsidiary of the Company manufacturing bathroom fittings and accessories, has performed well during the year. Improved capacity utilisation at the Samba Unit, introduction of new product range and cost efficient manufacturing has contributed to the growth of the business.
- TBK Venkataramiah Tile Bath Kitchen Private Limited, TBK Rangoli Tile Bath Kitchen Private Limited, wholly-owned subsidiaries of HRJTBK and TBK Samiyaz Tile Bath Kitchen Private Limited, which became a subsidiary of HRJTBK during the year, are in the field of tile and bath retailing.
- RMC Readymix Porselano (India) Limited, a wholly-owned subsidiary is yet to commence operations.

Joint Ventures (JV)

- **Ardex Endura (India) Private Limited**, JV with the Ardex Group, Germany, which manufactures and markets tile adhesives, grouts, flooring, waterproofing and allied products, has performed satisfactorily during the year.
- **Sentini Cermica Private Limited**, the mid-segment glazed floor tile JV company in Telangana, has performed well during the year. The profitability for the company has increased despite of lower capacity utilisation.

In addition, Antique Marbonite Private Limited, Spectrum Johnson Tiles Private Limited, Small Johnson Floor Tiles Private Limited and Coral Gold Tiles Private Limited, the tile JV companies in Gujarat, performed satisfactorily during the year.

Associate

Prism Power and Infrastructure Private Limited, an associate of the Company is yet to commence operations.

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company prepared in accordance with the Companies

Act, 2013 and the applicable Indian Accounting Standards, alongwith all relevant documents and the Auditors Report form part of this Annual Report.

The financial statements of the subsidiary companies are not attached alongwith the financial statements of the Company. Separate audited financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. The Company shall also provide a copy of the Annual Report and other related information of its subsidiary companies as required under Section 136 of the Companies Act, 2013 to the shareholders of the Company and the subsidiaries upon their written request. The separate audited financial statements in respect of each subsidiary company is also available on the website of the Company at [www.prismjohnson.in/investors/disclosures under SEBI LODR regulations/policies](http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies).

DIRECTORS

Mr. J. A. Brooks, Non-executive Independent Director resigned from the Board of the Company on November 7, 2017. The Board wishes to place on record its deep sense of appreciation for the valuable guidance, contribution and support received from Mr. Brooks during his tenure with the Company.

The Board of Directors has, at its Meeting held on May 29, 2018, subject to requisite approvals, re-appointed Mr. Vivek K. Agnihotri as Executive Director & CEO (Cement) for a period of three years with effect from August 17, 2018, upon terms and conditions mentioned in the Notice of the ensuing Annual General Meeting read with the Explanatory Statement thereto. The Board recommends passing of the special resolution at Item No. 5 of the Notice.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Vijay Aggarwal and Mr. Vivek K. Agnihotri retire by rotation at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

In accordance with the requirements of the Companies Act, 2013, the shareholders, at the Annual General Meetings of the Company held on July 31, 2014 and August 9, 2017, have appointed the Independent Directors - Ms. Ameeta A. Parpia, Mr. Shobhan M. Thakore and Dr. Raveendra Chittoor for a term of five consecutive years from their respective dates of appointment.

The Company has received declarations from Ms. Parpia, Mr. Thakore and Dr. Chittoor, Independent Directors of the Company, confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company [http://www.prismjohnson.in/investors/](http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies)

[disclosures-under-SEBI-LODR-regulations/policies](http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies).

The details of familiarisation programme for Independent Directors have been disclosed in the Report on Corporate Governance and on the website of the Company <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

As required, the requisite details of Directors seeking appointment/re-appointment are included in this Annual Report.

Meetings

The Board of Directors met six times during the year ended March 31, 2018. Additionally, several Committee Meetings were held including the Audit Committee, which met nine times during the year. Details of the meetings are included in the Report on Corporate Governance.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation during the year under review. Details of the same is given in the Report on Corporate Governance.

Remuneration Policy

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for Key Managerial Personnel and other employees forms part of the Report on Corporate Governance.

KEY MANAGERIAL PERSONNEL

During the year, Mr. Pramod K. Akhramka, Chief Financial Officer and KMP of the Company resigned from the services of the Company. The resignation was effective August 22, 2017.

Consequent to Mr. Akhramka's resignation, the Board appointed Mr. Manish Bhatia as the Chief Financial Officer and KMP of the Company effective August 22, 2017.

COMPOSITION OF AUDIT COMMITTEE

The Board has constituted an Audit Committee, details of the same is stated in the Report on Corporate Governance.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism by adopting a Whistle Blower Policy to report concerns about illegal or unethical practices, if any. The details of the Policy is explained in the Report on Corporate Governance and is also available on the website of the Company at <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.



PREVENTION OF SEXUAL HARASSMENT

The Company offers equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company has also framed a policy on Prevention of Sexual Harassment of Women at workplace. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has constituted an Internal Complaints Committee (ICC) to inquire into complaints of sexual harassment and recommend appropriate action.

During the financial year 2017-18, the ICC received one complaint on sexual harassment and appropriate actions are being taken.

RISK MANAGEMENT

The Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Report on Corporate Governance.

The Company works across a wide range of products i.e. Cement, Tiles, Bath and Ready Mixed Concrete. Several of the product lines have their own unique business and operating models. These businesses operate in an evolving and challenging business environment.

The Risk Management Policy framed by the Company details the objectives and principles of risk management along with an overview of the risk management process, procedures and related roles and responsibilities. The risk management process includes identifying types of risks and its assessment, risk handling and monitoring, reporting and controlling/mitigation.

The Committee on timely basis informed members of the Audit Committee and the Board of Directors about risk assessment and minimisation procedures and in their opinion there was no risk that may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has adopted a CSR Policy based on which its future CSR initiatives shall be developed and implemented. The Company policy is focussed on CSR initiatives in areas such as water, health and sanitation, energy conservation, pollution-free atmosphere, clean technologies and primary health care for the villagers in the vicinity of the plants. The Policy is available on the Company's website at <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

In view of the average net profits of the three immediately preceding financial years being in the negative, the Company was not required to spend on CSR activities for the

FY 2017-18. Requisite disclosure including composition of the CSR Committee has been made in the prescribed form annexed herewith as Annexure 'A'.

BUSINESS RESPONSIBILITY REPORTING

A separate section on Business Responsibility Reporting forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 annexed herewith as Annexure 'B'.

LOANS, GUARANTEES AND INVESTMENTS

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

RELATED PARTY TRANSACTIONS

All related party transactions are placed before the Audit Committee as also the Board, wherever required, for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval is placed before the Audit Committee for their review on a quarterly basis. The statement is supported by a Certificate from the Managing Director, Executive Director & CEOs and the Chief Financial Officer.

The Policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors is available on the website of the Company at <http://www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies>.

There were no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Company has provided Corporate Guarantees to financiers of its subsidiary - Silica Ceramica Private Limited to facilitate fund raising. Details of the said transactions entered during the year ended March 31, 2018, pursuant to sub-section (1) of Section 188 of the Companies Act, 2013 are given in the prescribed Form AOC-2 annexed herewith as Annexure 'C'. The said guarantees are given in the interest of the Company.

Attention of the members is drawn to the disclosure of related party transactions set out in Note 4.08 of the Standalone Financial Statements forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors confirm:

- a. That in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. They have selected such accounting policies and applied them consistently and made judgement 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 March 31, 2018 and of the profit of the Company for the year ended on that date;
- c. 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;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

EMPLOYEE REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of this report as Annexure 'D'.

The information required under Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. Having regard to the provisions of the 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 by the members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the statement may write to the Company's Registered Office at Hyderabad or to its Corporate Office at Mumbai.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014,

is given in Annexure 'E' forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE

As per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance forms part of this Annual Report.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has established set of standards, processes and structure which enable it to implement adequate internal financial controls and ensure that the same are operating effectively. The internal financial control systems of the Company are commensurate with its size and the nature of its operations. The Company has well defined delegation of authority limits for approving revenue as well as expenditures. The Company uses an established ERP system to record day to day transactions for accounting and financial reporting.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work done by the Internal, Statutory, Cost and Secretarial Auditors and the reviews of the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

AUDITORS

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, the term of office of M/s. G. M. Kapadia & Co., Chartered Accountants, Mumbai, (Firm Registration No. 104767W) will end at the conclusion of the forthcoming Annual General Meeting. It is proposed to re-appoint M/s. G. M. Kapadia & Co., as the Statutory Auditors of the Company for a further period of five years from the conclusion of the ensuing Annual General Meeting to the conclusion of the 31st Annual General Meeting of the Company.

As required under the provisions of Section 139 and 141 of the Companies Act, 2013, the Company has received written consent and certificate from M/s. G. M. Kapadia & Co., Chartered Accountants, proposing to be re-appointed as Auditors upto conclusion of the 31st Annual General Meeting of the Company, to the effect that their re-appointment,



if made, would be in conformity with the limits specified in the said Section.

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by the Auditors on the financial statements of the Company are part of this Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditors

The Company has appointed Ms. Savita Jyoti, M/s. Savita Jyoti Associates, Practising Company Secretary, Hyderabad to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There were no qualification, reservation or adverse remarks given by Secretarial Auditor of the Company. The Report of the Secretarial Auditor in Form MR-3 is annexed herewith as Annexure 'F'.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company maintains the cost audit records for its businesses. The Board of Directors of the Company has, on the recommendation of the Audit Committee, at its meeting held on May 29, 2018, appointed M/s. D. C. Dave & Co., Cost Accountants as the Cost Auditors for the year ending March 31, 2019 and has recommended their remuneration to the shareholders for their ratification.

ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 is furnished in Annexure 'G' attached to this Report.

GENERAL

1. No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
2. No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.
3. No fraud has been reported during the audit conducted by the Statutory Auditors, Internal Auditors, Secretarial Auditor and Cost Auditors of the Company.
4. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

ACKNOWLEDGEMENTS

The Directors thank the shareholders, various Central and State Government departments/agencies, banks and other business associates for their valuable services and continued support during the year under review. The Board also takes this opportunity to express its sincere appreciation of the contribution and dedicated work of all the employees of the Company.

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility Activities

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

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.

Since its inception, the Company has been socially responsible and has voluntarily undertaken various Corporate Social Responsibility initiatives even when there were no legal and statutory requirements in this regard.

In its commitment to CSR initiatives, the Company has been making available medical and education assistance to economically disadvantaged and socially weaker sections of the society. In addition, the Company independently carries out a variety of social initiatives in the areas of education, healthcare and environment where it actively involves its employees.

As part of Company's focus on healthcare, vaccination camps, blood donation drives, general health and eye check-up camps are regularly conducted for construction workers and their families and disadvantaged communities around its operational sites. Similarly, at certain locations close to the Company's operations, school book distributions are carried out for the children of local residents. Apart from these, awareness programmes on health, safety and hygiene are also carried out from time-to-time for labourers.

While CSR programmes may be identified by the CSR Committee, it will also evaluate projects submitted directly by reputed not-for-profit organisations having an established track record of at least three years in carrying on the specific activity.

2. The composition of the CSR Committee

The composition of the CSR Committee as on March 31, 2018 is as under :

- Mr. Vijay Aggarwal, *Chairman*
- Ms. Ameeta A. Parpia, *Member & Independent Director*
- Mr. Vivek K. Agnihotri, *Member*
- Mr. Joydeep Mukherjee, *Member*
- Mr. Atul R. Desai, *Member*

3. Average net profits /(loss) of the Company for last three financial years.

₹ (2.84) Crores.

4. Prescribed CSR expenditure (two per cent of the amount as in item No. 3 above)

In view of the average net profits of the three immediately preceding financial years being in the negative, the Company was not required to spend on CSR activities for the FY 2017-18.

5. Details of CSR spent during the financial year : Not Applicable

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 the CSR activities of the Company shall be in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

VIJAY AGGARWAL

Managing Director &

Chairman of the CSR Committee

Place : Mumbai

Date : May 29, 2018

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Business Responsibility Report

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26942TG1992PLC014033
2.	Name of the Company	PRISM JOHNSON LIMITED
3.	Registered address	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad – 500 001



4.	Website	www.prismjohnson.in
5.	E-mail id	investor@prismjohnson.in
6.	Financial year reported	2017-18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	23942 – Portland Cement 23939 – Tiles 23952 – Ready Mixed Concrete 23941 – Clinkers
8.	List three key products that the Company manufactures (as in balance sheet)	<ul style="list-style-type: none"> • Portland Cement • Tiles • Ready Mixed Concrete
9.	Total number of locations where business activity is undertaken by the Company	
(a)	Number of International Locations (Provide details of major 5)	One office at Sri Lanka
(b)	Number of National Locations	One Cement Plant (2 Units), 4 Tile Plants, 92 Ready Mixed Concrete Plants, 5 Aggregate Crusher Plants, 1 Packing Plant and 44 Offices including Registered Office, Corporate Office, Division Head Offices and Regional Marketing/Sales Offices.
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)	₹ 503.36 Crores
2.	Total Turnover (INR)	₹ 5,520 Crores
3.	Total profit after taxes (INR)	₹ 70.41 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Nil
5.	List of activities in which expenditure in 4 above has been incurred	N. A.

SECTION C : OTHER DETAILS

1.	Does the Company have any Subsidiary Company/Companies?	Yes, the Company has five subsidiaries and three step-down subsidiaries. Details given in the Directors' Report.
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)	<p>The subsidiaries of the Company have their own Board of Directors having rights and obligations to manage such companies in the best interest of the Company.</p> <p>The Company encourages its subsidiaries to formulate and practise their own BR initiatives based on their individual priorities. These initiatives and policies are mainly applicable to the subsidiaries which are engaged in manufacturing activities.</p>

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%]	We do not mandate that our suppliers, distributors, etc., participate in the Company's BR. However, they are encouraged to do so.
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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	00515412
2.	Name	Mr. Vijay Aggarwal
3.	Designation	Managing Director
(b)	Details of the BR head :	
1.	DIN Number (if applicable)	The Executive Committee comprising, <i>inter alia</i> , of the Executive Director & CEO of each Division of the Company oversee the implementation of the BR policy.
2.	Name	
3.	Designation	
4.	Telephone number	+ 91-22-66754142
5.	e-mail id	brr.info@prismjohnson.in

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly 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 marginalised.
- P5 — Businesses should respect and promote human rights.
- P6 — Businesses should respect, protect and make efforts to restore the environment.
- P7 — Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 — Businesses should support inclusive growth and equitable development.
- P9 — Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (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 The policy is embedded in the Company's quality and environment policies which <i>inter alia</i> , relate to safe and sustainable products	Y	Y	Y The policy is embedded in the Company's Code of Conduct, HR policies and various other HR practices	Y	N	Y The policy is embedded in the Company's CSR policy and various other social initiatives undertaken	N



No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	—	Y	Y	Y	Y	—	Y	—
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y Bureau of Indian Standard/ Generally accepted standards	Y	Y	Y	Y Conforms to guidelines, norms and directives of different State and Central Government	—	Y Conforms to guidelines of the Companies Act, 2013	—
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	—	—	N	—	Y	—	Y	—
5.	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y At Executive Committee Meetings	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?	Communicated to key stakeholders of the Company. The communication is an on-going process to cover all internal and external stakeholders.								
8.	Does the company have in-house structure to implement the policy/policies.	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?	Y	Y	Y	N	N	Y	N	Y	—

* Company's website : www.prismjohnson.in

(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)	—	—	—	—	—	—	The need for a written policy has not been felt. Suitable decision will be taken at the appropriate time.	—	The Company has a redressal mechanism for all customer complaints.

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

There is no defined frequency. Assessment is an ongoing exercise and is an inherent part of corporate functions. The Management comprising, *inter alia*, of the Managing Director and Executive Director & CEOs of the Company, oversees the implementation of and monitor the BR performance on a regular basis.

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

The Company has published a Business Responsibility Report which forms part of the Annual Report for FY 2016-17 and is available on the website of the Company : www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/financials.

SECTION E : PRINCIPLE-WISE PERFORMANCE

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

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

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees.

The Company has a Code of Conduct and Whistle Blower Policy which pertain to ethics, bribery and corruption. These are applicable to all Board members and employees of the Company. The Code of Conduct governs the manner in which the Company carries out its activities and interacts with its stakeholders and an annual confirmation is obtained from all in compliance of the Code. The Whistle Blower Policy encompasses various stakeholders of the Company like employees, suppliers, contractors and their employees.



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

During the year, 11 complaints were received from shareholders and investors. All complaints have been resolved to the satisfaction of the complainants and no investor complaint was pending at the end of the year.

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

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

Blended Cement viz. Pozzalana Portland Cement, Ready Mix Concrete viz. Enviroprotectcrete™, Perviouscrete™, Highdensecrete® and Tiles viz. Thin Tiles using lesser resources. The Company uses alternate materials such as industrial by-products and biomass as Alternative Fuel and Raw Materials (AFR), solar/small hydro/biomass green power to replace portions of conventional power and ensures water conservation measures such as rain harvesting, etc. The Company initiated use of solar power in some of its tile plants.

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?

Energy consumption is constantly monitored at the mines, plants and townships with the help of EnMS software to achieve overall reduction.

Cement

Consumption per unit of production	2017-18	2016-17
Specific Heat Consumption (Kcal/ Kg of Clinker)	727.5	729
Water Consumption (Ltr/Ton of Clinker)	190.5	192.3

3% of total power consumption for cement production has been sourced from green renewable resources such as biomass/bagasse/small hydro/solar.

Used water is reclaimed and re-used in order to conserve water. Water is treated via treatment plants before discharging. Treated effluent water is partially recycled for horticultural purposes.

Tiles

Reduction of around 5-10% of raw material through production of thin tiles.

RMC

There is reduction in usage of cement by using cement replacement products like Flyash & Granulated Ground Blast Furnace Slag ('GGBS') which protects the environment. Use of recycled water while manufacturing concrete. Close monitoring of power factor to optimise power consumption.

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

The Company's products are used for variety of purposes and by diverse consumers. It is therefore not feasible to measure the usage (energy, water) by consumers.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has in place procedures for supplier sustainability and has an established process for vendor selection. All inputs are sourced sustainably. The Company uses Alternative Fuel and Raw Materials (AFR) in its manufacturing processes which helps in conservation of natural resources.

The Company's cement plants are located near limestone reserves, which helps in minimising transportation. The Company also adopts sustainable mining practices. Normally bulk materials are received by rail transport. Flyash used in manufacture of Pozzalana Portland cement is a waste product of power plants.

As a practice, ethical performance is one of the criteria for selection of vendors. For transportation contracts, compliance of safety and environmental norms is one of the parameters and also efficient usage of fuel is another criteria used in the selection of vendors. Raw materials such as Flyash and GGBS, which are waste products of power and steel plants respectively, are used as cement replacements in the manufacture of Ready Mixed

Concrete. The RMC (India) Division of the Company has started converting Diesel Engine Transit Mixers to CNG. As on date, eight Transit Mixers, used for transporting concrete, have been converted from Diesel to CNG.

The Company has long-term contracts with its vendors, both goods and transportation included. Apart from this, frequent meetings are arranged with the vendors, thus maintaining a cordial customer-vendor relationship and ensuring sustainability.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company procures products and services from local producers/small scale vendors and communities surrounding its operations. The contractors who are engaged in operations, packaging, transportation, maintenance, horticulture and housekeeping mostly employ workmen from the nearby villages.

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

- In FY 2017-18, around 90% of cement manufactured by the Company were blended cements, produced by using Flyash, which is waste material of power industries. Waste water generated from the cement plants and colony is recycled and used in gardening, horticulture, sprinkling for dust suppression, etc. Also 3% of total power consumption was sourced from renewable sources.
- Less than 5% recycle products and waste are used in the manufacture of tiles. Fired Pitcher is grinded and used in Tile Body up to 3%. Effluent Treatment Plant Waste is used in Wall Body up to 3%.
- In view of the simple manufacturing process for Ready Mixed Concretes, there are no by-products. However, Flyash and GGBS are used as replacement of cement in concrete which are by products of power and steel industry. During FY 2017-18, the Company used 18.23% of Flyash and 9.45% of GGBS of the total Cementitious content.

Principle 3 – Businesses should promote the wellbeing of all employees.

1. Total number of employees

5,396

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

5,211

3. Number of permanent women employees

253

4. Number of permanent employees with disabilities

Four

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

Yes, there are recognised trade unions affiliated to various central/state union bodies depending on their presence at respective locations.

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

Most of the workmen are members of the different registered Trade Unions operating in the plants/units.

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
(a)	Child labour/ forced labour/ involuntary labour	Nil	Nil
(b)	Sexual harassment	1	1
(c)	Discriminatory employment	Nil	Nil

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

Sl. No.	Category	Safety	Skilled
(a)	Permanent employees	33%	35%
(b)	Permanent women employees	36%	20%
(c)	Casual/Temporary/Contractual employees	61%	11%
(d)	Employees with disabilities	50%	—



Based on identified needs of employees, training and development, at all levels, is given due priority by the Company for holistic growth of the individual as well as Company effectiveness. The Company selectively nominates its employees for specialised training programmes/workshops/seminars/conferences organised by reputed professional organisations and Institutes.

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

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

Yes, the Company has mapped its internal and external stakeholders.

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

The Company has identified the disadvantaged, vulnerable and marginalised stakeholders, namely the communities around its manufacturing units, its worker/contractual labour and truck drivers. The needs of the vulnerable and marginalised stakeholders of the community are considered while designing community development initiatives. This is carried out through continuous interaction and engagement with the stakeholders during the course of implementation of various social programmes.

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

The Company takes various initiatives to engage with disadvantaged or marginalised stakeholders. The Company arranges healthcare medical camps for medical treatment, eye checking, blood donation, etc., in the communities around its manufacturing units. The Company has also joined the initiatives arranged by local administration for the health of the communities around its plants.

By abiding with all the statutory and Environment, Health & Safety guidelines, the Company ensures that its workforce operates under a safe working environment.

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 does not have a separate Human Rights Policy. However, its policies support, respect and protect the Human rights of its direct as well as indirect employees. The Company addresses human rights in compliance with applicable laws (like Factories Act, Mines Act and other labour legislations) and through HR practices, which embody human rights principles such as prevention of child labour, forced labour, prohibition of sexual harassment of women at workplace, etc.

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

No stakeholder complaints, relating to human rights, have been received in the past 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 Corporate Environment Policy is applicable to the Company only.

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

The Company realises that climate change is a real threat faced not just by the Company but the entire global community, of which it is a part. The Company also recognises that it can play a meaningful role in trying to mitigate the problem by adopting certain strategies and initiatives in its day-to-day operations. In this direction, some of the initiatives taken by the Company are as under :

- Sourcing of 3% of total power consumption through renewable sources, reducing carbon footprint and consumption of conventional thermal power.
- Study and approval for installation of captive solar power plant.
- Use of solar power for remote location applications.
- Uses of industrial waste products in its concrete manufacturing.
- Feasibility study undertaken to set-up Waste Heat Recovery System, which in turn will reduce thermal power consumption.
- Approval to replace low efficiency motors with high efficiency IE3/IE4 motors.
- Replacement of conventional lights/luminaires with LED lights.
- CO² reduction by producing > 90% of our product as blended cement.

- Several measures taken to reduce dust pollution.
- Utilisation of Alternative Fuel and Raw Materials
- Rain harvesting and water conservation.
- Energy Management system in place to reduce energy consumption and hence emission.
- Retrofitted sepax fan impeller with higher efficiency.

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

Yes. The Company follows a structured risk management approach emphasising to identify potential risks, assessment of impact of the same, mitigation plan to mitigate the identified risks, continuous monitoring and timely action.

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?

- Installation of Gas Turbines and use of Soya Husk for Spray Dryer production at some of its Tile manufacturing plants.
- Use of supplementary Cementitious Materials like Flyash and GGBS in concrete manufacturing process which are by-products of the power and steel industries.
- Systematic mining activities are carried out as per the environment norms.

Environmental compliance reports are filed as mandated by applicable regulations.

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

- Conversion of diesel engine Transit Mixer to CNG.
- Use of Auto Capacitor Bank to assist in maintaining desired power factor which helps in controlling power consumption.
- Use of non-ancillary machines/process during non-peak demand hours.
- Sourcing of 3% of total power consumption through renewable sources, reducing carbon footprint and consumption of conventional thermal power.
- Use of solar power for remote location applications.
- Feasibility study undertaken for set-up Waste Heat Recovery System, which in turn will reduce thermal power consumption.
- Project for using alternative energy as heat source in Kiln executed.
- Improved Energy Management System software for optimisation of monitoring.

- Set-up Sewage Treatment Plant without use of aerators.

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

The Emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year being reported.

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.

Nil

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

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

The Company is a member of several industry associations through which it interacts with its peers and discusses key issues in the products which it manufactures. The major associations where the Company is a member are :

- Bombay Chambers of Commerce.
- Cement Manufacturers Association.
- Indian Council of Ceramic Tiles and Sanitaryware.
- Indian Ceramic Society.
- All India Pottery Manufacturers association
- Ready Mixed Concrete Manufacturers Association.

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

- The Company through CMA has advocated energy conservation, sustainable mining practices and better waste management in cement manufacturing.
- Through the association, representation has been made by the Tile industry with regards to cheaper dumping from China which had adversely affected the industry.
- The Company through RMCMA advocates use of Ready Mixed Concrete which has positive impact on business as well environment, as use of Ready Mixed Concrete gives assured quality of product with faster delivery and helps in reducing dust pollution created at sites by replacing site mix concrete.



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

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

The Company is committed to social, economic and environmental development of communities at all its operations. The Company has specified programmes/initiatives to support inclusive growth and equitable development. These involve series of initiatives in the creation of green ecology, people empowerment, educational development, health improvement, hygiene awareness and nurturing people centric practices for better development of rural society.

Prime focus areas of the Company are :

- a) Infrastructure development.
- b) Health and hygiene.
- c) Educational activities.
- d) Environment conservation.
- e) Water conservation and drinking water.
- f) Empowerment and skill development.
- g) Promotion of sport activities.
- h) Social welfare.

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

All programmes and projects are undertaken through in-house teams and external Government structures.

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

Impact assessment survey was carried out for the initiatives carried out around the Company's Cement plant.

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

The Company has spent ₹ 2.02 Crores on various initiatives involving infrastructure development, health and hygiene, educational activities, environment conservation, water conservation and drinking water, empowerment & skill development, promotion of sport activities and social welfare.

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.

The Company takes up participatory approach to plan projects for community development in concurrence with local stakeholders and community representatives. Regular fields visit are made by our teams to identify the needs of the community and to supervise the programs which are being implemented and whether they are benefitting the local community or not. The Company is always eager to promote new initiatives for community 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.

120 cases of customer complaints were pending as on March 31, 2018. 54 consumer cases were pending before different Forums/Commissions/Courts at the end of FY 2017-18.

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)

No. The Company has displayed all mandatory information on the product labels/packaging as per applicable laws. Wherever applicable, specific certification requirements of regulatory authorities and some marks like ISI, BIS etc., are provided on the product label/packages.

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

There are no such cases during the last five years and pending as on end of Financial Year 2017-18.

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

Yes. Customer Satisfaction Surveys are carried out by the Company half yearly/annually.

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Form AOC-2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

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

I Details of contracts or arrangements or transactions not at arm's length basis		
a	Name(s) of the related party and nature of relationship	Silica Ceramica Private Limited ('Silica') - a subsidiary company.
b	Nature of contracts/ arrangements/ transactions	Corporate Guarantee given to Yes Bank Limited as security for Working Capital Limits sanctioned to Silica.
c	Duration of the contracts/ arrangements/transactions	Till the working capital limits are valid.
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Corporate Guarantee of ₹ 22 Crores dated February 2, 2018 given to Yes Bank Limited as security for working capital facilities sanctioned to Silica.
e	Justification for entering into such contracts or arrangements or transactions	In the ordinary course and furtherance of the Company's business.
f	Date(s) of approval by the Board	August 8, 2017
g	Amount paid as advances, if any	Nil
h	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Enabling special resolution passed by the shareholders through Postal Ballot on June 20, 2014.
II Details of material contracts or arrangements or transactions at arm's length basis		
The Company has not entered into any material contracts or arrangements or transactions at arm's length basis with its related parties.		

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'D' TO THE DIRECTORS' REPORT

The details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

- The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2017-18 :

Name	Designation	Ratio
Mr. Vijay Aggarwal	Managing Director	157 [®]
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	67 [®]
Mr. Joydeep Mukherjee	Executive Director & CEO (HRJ)	64 [®]
Mr. Atul R. Desai	Executive Director & CEO (RMC)	65 [®]
Mr. Shobhan M. Thakore	Non-executive Independent Director	4
Ms. Ameeta A. Parpia	Non-executive Independent Director	3
Dr. Raveendra Chittoor ^{#1}	Non-executive Independent Director	2
Mr. J. A. Brooks ^{†1}	Non-executive Independent Director	8



2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2017-18 :

Name	Designation	% increase
Mr. Vijay Aggarwal	Managing Director	63 [@]
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	15 [@]
Mr. Joydeep Mukherjee	Executive Director & CEO (HRJ)	17 [@]
Mr. Atul R. Desai	Executive Director & CEO (RMC)	9 [@]
Mr. Shobhan M. Thakore	Non-executive Independent Director	NA ^{\$}
Ms. Ameeta A. Parpia	Non-executive Independent Director	NA ^{\$}
Dr. Raveendra Chittoor ^{#1}	Non-executive Independent Director	NA
Mr. Manish Bhatia ^{#2}	Chief Financial Officer	NA
Ms. Aneeta S. Kulkarni	Company Secretary	8
Mr. J. A. Brooks ^{*1}	Non-executive Independent Director	(-) 45
Mr. Pramod K. Akhramka ^{*2}	Chief Financial Officer	9

*1 Resigned on November 7, 2017

*2 Resigned on August 22, 2017

#1 Appointed w.e.f. July 3, 2017

#2 Appointed w.e.f. August 22, 2017

@1. Remuneration paid to the Executive Directors are not comparable as the remuneration till September 12, 2016 was restricted to the limits stipulated under the Companies Act, 2013.

2. Does not include Performance incentive of ₹ 2.91 Crores paid to Executive Directors during the year 2017-18, as approved by the Nomination & Remuneration Committee.

\$ No commission was paid in FY 2016-17.

Note : Remuneration of Non-executive Independent Directors excludes sitting fees.

3. The percentage increase in the median remuneration of the employees in the financial year was around 5%.
4. The number of permanent employees on the rolls of the Company as on March 31, 2018 was 5,396.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 0.10 whereas the increase in the managerial remuneration was 0.33. This increment is in line with the factors more particularly described in the Remuneration Policy of the Company stated in the Corporate Governance Report.
6. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'E' TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

Cement Division

➤ Limestone crusher

- Existing DC motor of apron feeder retrofitted by suitable size of DC motor to increase operating speed of apron feeder for increased feed rate.

- Interlock modification of Inlet roller from discharge belt to apron conveyor, to avoid idle running.
- Electrification of Mines Band - II equipment.
- Raw mills
 - Increased grinding pressure of Raw mills by 5 bar to achieve higher production rate.
 - Installation of new 2700kW motor in Unit - I Raw Mill Fan to increase reliability.

- Removal of Separator flap for uniform and better gas flow.
- Bag filter fans pulley size change for power saving.

➤ Kilns

- Optimised raw mix design to improve and sustain C_3S % in clinker.
- Installation of ABC clinker cooler fixed inlet in U - II for better reliability and improved heat recuperation.
- Optimised cooler air for improved heat recuperation of clinker cooler.
- Dip tube installation in Unit - I Preheater SLC cyclone no. 4.
- Replacement of conventional shell and tyre cooling fans with FRP blade fans.
- Kiln Inlet seal and SLC inlet box modification to reduce false air ingress.
- Modification of hammer crusher to arrest false air entry in cooler.
- Modification of cooler water spray system to improve cooler water spray in cooler.
- Higher MTBF due to increased inspection and preventive maintenance planning and practices.

➤ Coal mills

- Coal mill grinding pressure increased from 90 bar to 145 bar and Nitrogen pressure increased in accumulator 55 bar to 65 bar in steps to increase productivity.
- Water spray system and Nozzle ring velocity optimised.
- Coal mill bag house purging changed from sequential to random cycle.

➤ Cement mills

- Retrofitting of Sepax fan impeller with higher efficiency impeller for enhanced energy savings.
- Reduced top seal plate gap of cement mill separator to optimise its performance.
- Installation of automated grinding aid dosing system.
- Installation of truck tippler of 100 ton payload for improved unloading of fly ash.
- Installation of mechanised reject handling system to reduce fugitive dust emission, re-handling cost of man and machinery.

- Three cement packers have been retrofitted with upgraded design for increased efficiency.
- Installation of Clinker truck loading system to reduce lead time/distance.

H & R Johnson (India) Division

➤ **Savings in Electrical Energy**

Dewas

- Installation of Energy Monitoring System in plant to monitor the daily power consumption and thus reducing the internal losses.
- Removal of a 1000 KVA transformer by laying extra cable of 350 m. resulting in savings of 300 KWh/day.
- Reducing power consumption in Glaze Ball Mill-1 motors by optimising frequency input through variable frequency drives resulting in savings of about 224 KWh/day.

Pen

- Reducing power consumption in Ball Mill-3 motors by optimising frequency input through variable frequency drives. The power savings ranges from 15-33%.
- Replacing 2 chillers by installation of Shell and Tube type heat exchangers for SACMI press model PH4600. This provides a savings of 2500 KWh/day.
- Installation of day lighting system in BSR to keep the electrical lights off during day time by providing higher visibility and lower heat.

➤ **Savings in Thermal Energy**

Kunigal

- Installation of additional two blowers with the existing two blowers in chain stove as per OEM (Original Equipment Manufacturer) providing a 13 % savings in coal consumption.

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

Cement Division

- 3% of total annual electricity consumption for process sourced from green power resources (bio-mass, small hydro, bagasse, solar)
- Start of 5 MW green power (bagasse) purchase through open Access.
- Installation of solar power sources for surveillance systems at remote locations.
- Peak demand management by running sections in staggered manner.
- Equipment installation to facilitate AFR feeding in U - II Preheater.

**(iii) The capital investment on energy conservation equipment:**

Total investment on energy conservation equipment is ₹ 5.77 Crores during the year ended March 31, 2018.

(B) Technology absorption**(i) The efforts made towards technology absorption :**

- Start of mining limestone from Band - II.
- Use of renewable green power through small hydro, solar, biomass sources, replacing conventional power through grid to reduce load on demand side.
- Solar power sources for remote location applications to avoid dependence on fossil fuel run equipment.
- Automated Bulk loading system to reduce lead time and distance, which in turn helps reducing fossil fuel consumption.
- Coating repellent bricks in kiln for better stability and to avoid ring formation.
- Installation of internet-based smart sensors in critical LT motors as advance diagnostic tool.
- Study and approval for replacing existing lower efficiency motors with high efficiency IE3/IE4 motors.
- Retrofitting with high efficiency impellers in process fans.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution :

- Savings on natural resources like limestone and fossil fuel.

- Reduction of Utility demand side power consumption and improvement upon carbon footprint.
- Improvement in specific energy consumption.
- Strengthening of environment friendly measures.
- Improvement of clinker utilisation factor.
- Improvement in throughput and specific power consumption.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not Applicable**(iv) The expenditure incurred on Research and Development : ₹ 3.82 Crores (Previous year : ₹ 3.51 Crores)****(C) Foreign Exchange Earnings and Outgo**

Particulars	₹ Crores	
	2017-18	2016-17
Details of earnings in foreign currency : F.O.B Value of Export	40.55	47.29
Details of expenditure in foreign currency	2.90	2.59

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'F' TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Prism Johnson Limited
(Formerly Prism Cement Limited)

We have conducted the secretarial audit of compliance of applicable statutory provisions and the adherence to good corporate practices by Prism Johnson Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2018 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

- (a) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR')/ 'Regulation(s)';
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

2. We have relied on certifications/representations made by the officers of the Company and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. Major laws applicable to the Company are as follows :

- 1) Factories Act, 1948;
- 2) Industrial Development and Regulations Act;
- 3) Acts prescribed under Environment Protection Act;
- 4) Acts prescribed under Prevention and Control of Pollution;
- 5) Acts prescribed under Direct Tax and Indirect Tax;
- 6) Mines Act, 1952;
- 7) Acts under Industrial Laws;



- 8) Labour Welfare Acts;
 - 9) Labour laws and other incidental laws related to labour and employees appointed by the Company;
 - 10) Local laws as applicable to various offices and plants.
3. We have also examined compliance with the applicable clauses of the following :
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) SEBI LODR guidelines.
4. During the year under the report the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and Woman Director. 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/Regulation(s).
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and 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.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has :

- (i) issued listed non-convertible debentures on private placement basis pursuant to the Special Resolution passed at the Annual General Meeting held on August 9, 2017;

- (ii) accepted fixed deposits pursuant to the provisions of the Companies Act, 2013 and Rules thereunder;

We further state that following list of the documents were verified :

- 1) Memorandum and Articles of Association;
- 2) Annual Report for the financial year 2017;
- 3) Minutes of the meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Securities Allotment & Transfer Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee held during the year along with attendance registers;
- 4) Minutes of the General meetings held during the financial year under report;
- 5) Statutory registers;
- 6) Agenda papers submitted to all directors/members for the board meetings and committee meetings;
- 7) Intimations received from the Directors of the Company pursuant to the provisions of section 184 and 149(7) of Companies Act, 2013;
- 8) E-forms filed by the Company from time to time under the applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
- 9) Intimations/documents/reports/returns filed with stock exchanges pursuant to provisions of the SEBI LODR.
- 10) Various policies made under the Companies Act, 2013 and SEBI LODR.

For **Savita Jyoti Associates**
Company Secretaries

Savita Jyoti
FCS No. : 3738
CP No. : 1796

Place : Mumbai
Date : April 25, 2018

ANNEXURE 'G' TO THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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	:	L26942TG1992PLC014033
ii	Registration Date	:	March 26, 1992
iii	Name of the Company	:	Prism Johnson Limited
iv	Category/Sub-Category of the Company	:	Public Limited Company
v	Address of the Registered office and contact details	:	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad – 500 016. Phone : +91-40-23400218; Fax : +91-40-23402249 e-mail : investor@prismjohnson.in website : www.prismjohnson.in
vi	Whether listed company Yes / No	:	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Karvy Computershare Private Limited Unit : Prism Johnson Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Mr. Mohsin Uddin – Senior Manager Tel : +91-40-67161500 (Ext. 1562) / +91-40-67161562 Fax : +91-40-23001153

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 :

Sr. No.	Name and description of main products/services	NIC code of the product/services	% to total turnover of the Company
i	Portland Cement	23942	40.30
ii	Tiles	23939	25.32
iii	Ready Mixed Concrete	23952	23.76

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and Address of the Company	CIN	Holding subsidiary/ associate	% of shares held	Applicable section
i	Raheja QBE General Insurance Company Limited, Windsor House, 5 th Floor, CST Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India.	U66030MH2007PLC173129	Subsidiary	51%	2(87)
ii	Silica Ceramica Private Limited, Narayanpuram, Unguturu Mandal, Narayanpuram, Andhra Pradesh - 534407, India.	U26933AP2006PTC051977	Subsidiary [#]	99.90%	2(87)
iii	H. & R. Johnson (India) TBK Limited, Windsor, 7 th Floor, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India.	U45200MH1996PLC101892	Subsidiary	100%	2(87)



Sr. No.	Name and Address of the Company	CIN	Holding subsidiary/ associate	% of shares held	Applicable section
iv	Milano Bathroom Fittings Private Limited, Plot No. 30, Industrial Township Phsse 4, Himuda, Bhatoli Kalan, Baddi, Solan, Himachal Pradesh - 173205, India	U28994HP2000PTC006251	Subsidiary	100%	2(87)
v	RMC Readymix Porcelano (India) Limited, Windsor, 7 th Floor, C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400098, Maharashtra, India.	U14103MH2006PLC160848	Subsidiary	100%	2(87)
vi	TBK Venkataramiah Tile Bath Kitchen Private Limited, No. 56/A, Ramamurthy Nagar, Main Road, Dodda Banaswadi, Opp. New Baldwin Residential School, Bangalore, Karnataka - 560043, India.	U26900KA2010PTC056306	Step-down Subsidiary	100%	2(87)
vii	TBK Rangoli Tile Bath Kitchen Private Limited, Ground Floor, Kaddiya Wadi, Azad Road, Near Fire Brigade, Vile Parle, (East), Mumbai - 400057, Maharashtra, India.	U74120MH2010PTC209550	Step-down Subsidiary	100%	2(87)
viii	TBK Samiyaz Tile Bath Kitchen Private Limited, G 5-10, Ground Floor, Plot No. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO, New Aurangabad - 431003, Maharashtra, India	U26916MH2007PTC176528	Step-down Subsidiary ^{\$}	69.88%	2(87)
ix	Ardex Endura (India) Private Limited, Unit No.406 & 407, "Brigade Rubix", No.20, HMT Campus, Yeshwanthapur, Hubli, Bengaluru - 560013, Karnataka, India.	U24233KA1997PTC022383	Joint Venture	50%	2(6)
x	Sentini Cermica Private Limited, Plot No. 1229, Road No. 60, Jubilee hills, Hyderabad, Telangana - 500033, India.	U26914TG2002PTC038347	Joint Venture	50%	2(6)
xi	Antique Marbonite Private Limited, 746/2, Paikae Lakhadhipur Road, Taluka Morbi, District Rajkot, Gujarat - 363642, India.	U24221GJ2003PTC042679	Joint Venture	50%	2(6)
xii	Spectrum Johnson Tiles Private Limited, Survey No. 242, 8-A National Highway, At Dhuva, Taluka Wankaner, Dhuva, Gujarat - 363621, India.	U26933GJ2006PTC049055	Joint Venture	50%	2(6)
xiii	Small Johnson Floor Tiles Private Limited, Survey No. 778, Paikae of Guntu, B/H GSPC Gas Terminal, Lakhadhipur Road, Lakhadhipur, Taluka Morbi, Morbi - 363642, Gujarat, India.	U26933GJ2011PTC067661	Joint Venture	50%	2(6)
xiv	Coral Gold Tiles Private Limited, Survey No. 824/P-1, Taluka Morbi, Ghuntu, Gujarat - 363 642, India.	U26914GJ2007PTC052095	Joint Venture	50%	2(6)
xv	Prism Power and Infrastructure Private Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500016, Telangana, India.	U40109TG2006PTC049084	Associate	49%	2(6)

Notes : # The equity shareholding increased to 99.90% from 99.82%.

\$ Became a Step-down subsidiary of the Company w.e.f. September 23, 2017.

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity) :

(i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	6,82,50,423	0	6,82,50,423	13.56	6,82,50,423	0	6,82,50,423	13.56	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	30,86,30,246	0	30,86,30,246	61.31	30,86,30,246	0	30,86,30,246	61.31	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1) :	37,68,80,669	0	37,68,80,669	74.87	37,68,80,669	0	37,68,80,669	74.87	0.00
(2) Foreign									
a) NRIs Individuals	500	0	500	0.00	500	0	500	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2) :	500	0	500	0.00	500	0	500	0.00	0.00
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	37,68,81,169	0	37,68,81,169	74.87	37,68,81,169	0	37,68,81,169	74.87	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	4,14,29,401	1,92,600	4,16,22,001	8.27	2,74,80,130	1,51,300	2,76,31,430	5.49	-2.78
b) Banks / FI	81,954	13,000	94,954	0.02	2,04,304	0	2,04,304	0.04	0.02
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	3,79,14,353	35,100	3,79,49,453	7.54	3,31,36,115	0	3,31,36,115	6.58	-0.96
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify) :	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1) :	7,94,25,708	2,40,700	7,96,66,408	15.83	6,08,20,549	1,51,300	6,09,71,849	12.11	-3.71



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-institutions									
a) Bodies Corporate	47,35,213	1,17,400	48,52,613	0.96	1,09,08,580	38,100	1,09,46,680	2.17	1.21
b) Individuals									
i) Individuals shareholders holding nominal share capital upto ₹ 2 lakh	2,14,35,548	58,61,500	2,72,97,048	5.42	2,21,22,788	37,89,109	2,59,11,897	5.15	-0.28
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakh	1,26,66,160	94,700	1,27,60,860	2.54	2,39,57,766	13,800	2,39,71,566	4.76	2.23
iii) Others (specify) NBFC, IEPF, Trusts, Non-Resident Indians, NRI Non-repatriation, Overseas Corporate Bodies, Clearing Members	16,22,282	2,76,200	18,98,482	0.38	45,14,719	1,58,700	46,73,419	0.93	0.55
Sub-total B (2):	4,04,59,203	63,49,800	4,68,09,003	9.30	6,15,03,853	39,99,709	6,55,03,562	13.01	3.71
Total Public Shareholding (B) = (B) (1) + (B) (2):	11,98,84,911	65,90,500	12,64,75,411	25.13	12,23,24,402	41,51,009	12,64,75,411	25.13	0.00
C. Shares held by custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	49,67,66,080	65,90,500	50,33,56,580	100.00	49,92,05,571	41,51,009	50,33,56,580	100.00	-

(ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
(A) Promoters :								
1	Manali Investment & Finance Private Limited	6,78,17,992	13.47	0.00	6,78,17,992	13.47	0.00	0.00
2	Hathway Investments Private Limited	6,41,13,400	12.74	0.00	6,41,13,400	12.74	0.00	0.00
3	Coronet Investments Private Limited	5,79,49,394	11.51	0.00	5,79,49,394	11.51	0.00	0.00
4	Rajan B. Raheja	5,14,06,327	10.21	0.00	5,14,06,327	10.21	0.00	0.00
5	Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22	0.00	3,12,89,300	6.22	0.00	0.00
6	Varahagiri Investments and Finance Private Limited	2,32,21,148	4.61	0.00	2,32,21,148	4.61	0.00	0.00
7	Matsyagandha Investment & Finance Private Limited	2,31,11,412	4.59	0.00	2,31,11,412	4.59	0.00	0.00
	Total (A)	31,89,08,973	63.35	0.00	31,89,08,973	63.35	0.00	0.00

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
(B)	Promoters Group :							
8	Suman R. Raheja	56,90,528	1.13	0.00	56,90,528	1.13	0.00	0.00
9	Akshay R. Raheja	55,76,784	1.11	0.00	55,76,784	1.11	0.00	0.00
10	Viren R. Raheja	55,76,784	1.11	0.00	55,76,784	1.11	0.00	0.00
11	Brindaban Land Development Private Limited	14,000	0.00	0.00	14,000	0.00	0.00	0.00
12	Colonnade Housing Private Limited	14,000	0.00	0.00	14,000	0.00	0.00	0.00
13	Excelsior Construction Company Private Limited	16,000	0.00	0.00	16,000	0.00	0.00	0.00
14	Gstaad Trading Company Private Limited	12,000	0.00	0.00	12,000	0.00	0.00	0.00
15	R Raheja Properties Private Limited	2,31,00,400	4.59	0.00	2,31,00,400	4.59	0.00	0.00
16	Gstaad Investments & Finance Private Limited	14,000	0.00	0.00	14,000	0.00	0.00	0.00
17	Peninsula Estates Private Limited	1,79,33,200	3.56	0.00	1,79,33,200	3.56	0.00	0.00
18	Trophy Investment & Finance Private Limited	20,000	0.00	0.00	20,000	0.00	0.00	0.00
19	Shiraz Realtors Private Limited	4,000	0.00	0.00	4,000	0.00	0.00	0.00
20	Satish B. Raheja	500	0.00	0.00	500	0.00	0.00	0.00
	Total (B)	5,79,72,196	11.52	0.00	5,79,72,196	11.52	0.00	0.00
	Total (A + B)	37,68,81,169	74.87	0.00	37,68,81,169	74.87	0.00	0.00

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

There are no changes in the Promoters' shareholding during the Financial year 2017-18.

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

Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the top 10 Shareholders			No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1	HDFC Trustee Company Limited	At the beginning of the year	April 1, 2017	3,83,05,213	7.61	3,83,05,213	7.61
		Increase	July 28, 2017	9,34,000	0.19	3,92,39,213	7.80
		Increase	December 15, 2017	85,00,000	1.69	4,77,39,213	9.48
		Decrease	December 15, 2017	85,00,000	1.69	3,92,39,213	7.80
		Decrease	December 22, 2017	34,75,000	0.69	3,57,64,213	7.11
		Decrease	January 12, 2018	10,00,000	0.20	3,47,64,213	6.91
		Decrease	January 19, 2018	21,78,791	0.43	3,25,85,422	6.47
		Decrease	January 26, 2018	4,62,000	0.09	3,21,23,422	6.38
		Decrease	February 2, 2018	1,54,700	0.03	3,19,68,722	6.35
		Decrease	February 9, 2018	2,11,000	0.04	3,17,57,722	6.31



Sr. No.	Particulars For each of the top 10 Shareholders	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
		Decrease	February 16, 2018	4,81,000	0.10	3,12,76,722	6.21
		Decrease	February 23, 2018	1,72,000	0.03	3,11,04,722	6.18
		Decrease	March 3, 2018	4,78,000	0.09	3,06,26,722	6.08
		Decrease	March 9, 2018	1,07,500	0.02	3,05,19,222	6.06
		Decrease	March 16, 2018	4,48,000	0.09	3,00,71,222	5.97
		Decrease	March 23, 2018	35,88,800	0.71	2,64,82,422	5.26
		At the end of the year	March 31, 2018			2,64,82,422	5.26
2	National Westminster Bank PLC As Trustee of the Jupiter India Fund	At the beginning of the year	April 1, 2017	81,90,004	1.63	81,90,004	1.63
		Increase	June 30, 2017	4,48,119	0.09	86,38,123	1.72
		Increase	July 7, 2017	48,208	0.01	86,86,331	1.73
		Increase	December 22, 2017	27,22,084	0.54	1,14,08,415	2.27
		Increase	February 9, 2018	1,02,423	0.02	1,15,10,838	2.29
		At the end of the year	March 31, 2018			1,15,10,838	2.29
3	Akash Bhanshali *	At the beginning of the year	April 1, 2017	0	0.00	0	0.00
		Increase	January 19, 2018	12,00,000	0.24	12,00,000	0.24
		Increase	March 23, 2018	61,92,416	1.23	73,92,416	1.47
		At the end of the year	March 31, 2018			73,92,416	1.47
4	CLSA Global Markets Pte. Ltd.	At the beginning of the year	April 1, 2017	60,57,157	1.20	60,57,157	1.20
		Decrease	May 19, 2017	1,31,155	0.03	59,26,002	1.18
		Decrease	June 16, 2017	6,021	0.00	59,19,981	1.18
		Decrease	July 7, 2017	2,65,421	0.05	56,54,560	1.12
		Decrease	July 14, 2017	41,812	0.01	56,12,748	1.12
		At the end of the year	March 31, 2018			56,12,748	1.12
5	Government Pension Fund Global *	At the beginning of the year	April 1, 2017	0	0.00	0	0.00
		Increase	January 12, 2018	16,05,373	0.32	16,05,373	0.32
		Increase	January 19, 2018	36,79,000	0.73	52,84,373	1.05
		At the end of the year	March 31, 2018			52,84,373	1.05
6	Morgan Stanley Asia (Singapore) Pte. #	At the beginning of the year	April 1, 2017	52,45,698	1.04	52,45,698	1.04
		Decrease	April 7, 2017	74,588	0.01	51,71,110	1.03
		Decrease	January 12, 2018	35,80,000	0.71	15,91,110	0.32
		Decrease	January 19, 2018	15,91,110	0.32	0	0.00
		At the end of the year	March 31, 2017			0	0.00
7	Legato Capital Management Investments LLC	At the beginning of the year	April 1, 2017	36,02,202	0.72	36,02,202	0.72
		At the end of the year	March 31, 2018			36,02,202	0.72
8	Morgan Stanley India Investment Fund, Inc. #	At the beginning of the year	April 1, 2017	34,62,649	0.69	34,62,649	0.69
		Decrease	June 2, 2017	2,67,933	0.05	31,94,716	0.63
		Decrease	June 9, 2017	1,15,447	0.02	30,79,269	0.61
		Decrease	June 16, 2017	2,73,589	0.05	28,05,680	0.56
		Decrease	June 23, 2017	28,05,680	0.56	0	0.00
		At the end of the year	March 31, 2018			0	0.00

Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the top 10 Shareholders			No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
9	East Bridge Capital Master Fund Limited #	At the beginning of the year	April 1, 2017	29,78,576	0.59	29,78,576	0.59
		Decrease	January 19, 2018	28,09,473	0.56	1,69,103	0.03
		Decrease	January 26, 2018	1,69,103	0.03	0	0.00
		At the end of the year	March 31, 2018			0	0.00
10	Jupiter South Asia Investment Company Limited	At the beginning of the year	April 1, 2017	26,39,181	0.52	26,39,181	0.52
		Decrease	June 23, 2017	2,69,918	0.05	23,69,263	0.47
		Increase	December 22, 2017	7,53,788	0.15	31,23,051	0.62
		Decrease	January 5, 2018	93,551	0.02	30,29,500	0.60
		Decrease	February 9, 2018	34,755	0.01	29,94,745	0.59
		At the end of the year	March 31, 2018			29,94,745	0.59
11	ICICI Prudential Asset Management Company Limited	At the beginning of the year	April 1, 2017	24,00,024	0.48	24,00,024	0.48
		Increase	April 28, 2017	3,42,980	0.07	27,43,004	0.54
		Decrease	April 28, 2017	1,03,427	0.02	26,39,577	0.52
		Increase	May 19, 2017	2,85,002	0.06	29,24,579	0.58
		Increase	May 26, 2017	79,298	0.02	30,03,877	0.60
		Increase	June 23, 2017	31,190	0.01	30,35,067	0.60
		Increase	June 30, 2017	74,502	0.01	31,09,569	0.62
		Increase	July 7, 2017	15,538	0.00	31,25,107	0.62
		Decrease	July 7, 2017	35,647	0.01	30,89,460	0.61
		Decrease	July 28, 2017	9,34,196	0.19	21,55,264	0.43
		Increase	August 4, 2017	57,598	0.01	22,12,862	0.44
		Decrease	August 25, 2017	3,480	0.00	22,09,382	0.44
		Decrease	September 8, 2017	3,372	0.00	22,06,010	0.44
		Decrease	September 15, 2017	48,897	0.01	21,57,113	0.43
		Decrease	September 22, 2017	78,578	0.02	20,78,535	0.41
		Decrease	October 6, 2017	77,611	0.02	20,00,924	0.40
		Decrease	October 13, 2017	51,865	0.01	19,49,059	0.39
		Decrease	January 5, 2018	55,318	0.01	18,93,741	0.38
		Decrease	January 12, 2018	3,31,568	0.07	15,62,173	0.31
		Decrease	January 19, 2018	3,13,294	0.06	12,48,879	0.25
		Decrease	January 26, 2018	3,62,771	0.07	8,86,108	0.18
		At the end of the year	March 31, 2018			8,86,108	0.18
12	Morgan Stanley Investment Holding Company (Mauritius) Limited #	At the beginning of the year	April 1, 2017	17,20,427	0.34	17,20,427	0.34
		Increase	April 28, 2017	1,00,454	0.02	18,20,881	0.36
		Increase	May 5, 2017	1,40,636	0.03	19,61,517	0.39
		Decrease	June 2, 2017	1,51,778	0.03	18,09,739	0.36
		Decrease	June 9, 2017	65,398	0.01	17,44,341	0.35
		Decrease	June 16, 2017	1,54,982	0.03	15,89,359	0.32
		Decrease	June 23, 2017	15,89,359	0.32	0	0.00
		At the end of the year	March 31, 2018			0	0.00
13	Urmila D. Shah, Jt. Nimesh Sumatilal *	At the beginning of the year	April 1, 2017	12,00,000	0.24	12,00,000	0.24
		At the end of the year	March 31, 2018			12,00,000	0.24



Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the top 10 Shareholders			No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
14	Jagdish N. Master	At the beginning of the year	April 1, 2017	4,62,500	0.09	4,62,500	0.09
		Increase	April 21, 2017	22,500	0.00	4,85,000	0.10
		Increase	June 9, 2017	16,000	0.00	5,01,000	0.10
		Increase	July 28, 2017	49,000	0.01	5,50,000	0.11
		Increase	August 4, 2017	7,000	0.00	5,57,000	0.11
		Increase	August 11, 2017	1,000	0.00	5,58,000	0.11
		Increase	August 18, 2017	3,500	0.00	5,61,500	0.11
		Increase	August 25, 2017	2,000	0.00	5,63,500	0.11
		Increase	September 1, 2017	1,500	0.00	5,65,000	0.11
		Increase	September 8, 2017	2,000	0.00	5,67,000	0.11
		Increase	September 15, 2017	3,000	0.00	5,70,000	0.11
		Increase	September 22, 2017	7,500	0.00	5,77,500	0.11
		Increase	September 29, 2017	16,000	0.00	5,93,500	0.12
		Increase	October 6, 2017	15,000	0.00	6,08,500	0.12
		Increase	October 13, 2017	16,500	0.00	6,25,000	0.12
		Increase	October 20, 2017	2,500	0.00	6,27,500	0.12
		Increase	November 10, 2017	2,500	0.00	6,30,000	0.13
		Increase	November 17, 2017	1,000	0.00	6,31,000	0.13
		Increase	December 8, 2017	1,000	0.00	6,32,000	0.13
		Increase	December 15, 2017	18,000	0.00	6,50,000	0.13
		Increase	December 22, 2017	2,500	0.00	6,52,500	0.13
		Increase	January 19, 2018	3,50,000	0.07	10,02,500	0.20
		Increase	January 26, 2018	1,000	0.00	10,03,500	0.20
		Increase	February 2, 2018	1,000	0.00	10,04,500	0.20
		Increase	February 9, 2018	500	0.00	10,05,000	0.20
		Increase	February 23, 2018	3,500	0.00	10,08,500	0.20
		Increase	March 9, 2018	2,500	0.00	10,11,000	0.20
		Increase	March 16, 2018	2,000	0.00	10,13,000	0.20
		Increase	March 23, 2018	2,000	0.00	10,15,000	0.20
		Increase	March 30, 2018	12,500	0.00	10,27,500	0.20
		At the end of the year	March 31, 2018			10,27,500	0.20

Notes : (1) The above information is based on the weekly beneficiary position received from depositories.

(2) 0.00 denotes % less than 0.01

(3) # The shareholders were in Top 10 category as on April 1, 2017 but are not as on March 31, 2018.

(4) * The shareholders were not in Top 10 category as on April 1, 2017 but are as on March 31, 2018.

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Directors	No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Rajan B. Raheja	5,14,06,327	10.21	5,14,06,327	10.21
2	Ms. Ameeta A. Parpia	76,000	0.02	76,000	0.02

Note : No change in shareholding of Directors during the year.

V INDEBTEDNESS:

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

₹ Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year :				
i) Principal Amount (Gross)	1,337.56	281.30	21.40	1,640.26
ii) Interest due but not paid	–	–	–	–
iii)** Interest accrued but not due	51.18	–	–	51.18
Total (i + ii + iii)	1,388.74	281.30	21.40	1,691.44
Change in Indebtedness during the financial year :				
Addition	477.01	230.61	3.05	710.67
Reduction	699.56	91.71	11.61	802.88
Net change	(222.55)	138.90	(8.56)	(92.21)
Indebtedness at the end of the financial year :				
i)* Principal Amount	1,115.01	420.20	12.84	1,548.05
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	58.51	–	–	58.51
Total (i + ii + iii)	1,173.52	420.20	12.84	1,606.56

* The indebtedness principal amount given above is gross of processing fees ₹ 3.35 Crores and ₹ 3.63 Crores at the beginning and end of the financial year respectively.

** Interest accrued but not due at beginning of financial year has changed from ₹ 51.09 Crores to ₹ 51.18 Crores due to re-grouping.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

₹ Crores

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Vijay Aggarwal	Mr. Vivek K. Agnihotri	Mr. Joydeep Mukherjee	Mr. Atul R. Desai	
1	Gross salary :					
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8.56	2.96	2.53	2.21	16.26
	b. Value of perquisites U/s 17(2) of the Income Tax Act, 1961	–	–	–	–	–
	c. Profits in lieu of salary U/s 17(3) of the Income Tax Act, 1961	–	–	–	–	–
2	Stock Option	–	–	–	–	–
3	Sweat Equity	–	–	–	–	–
4	Commission :					
	– as % of profit	–	–	–	–	–
	– others	–	–	–	–	–
5	Others	–	–	–	–	–
	Total (A)	8.56	2.96	2.53	2.21	16.26
	Ceiling as per the Act	The remuneration is paid in accordance with the Companies Act, 2013 and Rules thereunder.				

**B. Remuneration to other Directors :**

₹ Crores

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Shobhan M. Thakore	Mr. Rajan B. Raheja	Mr. J. A. Brooks #	Ms. Ameeta A. Parpia	Dr. Raveendra Chittoor \$	
1	Independent Directors :						
i)	Fees for attending Board/Committee Meetings	0.07	—	0.04	0.07	0.03	0.21
ii)	Commission	0.15	—	0.33	0.13	0.08	0.69
iii)	Others	—	—	—	—	—	—
	Total (1)	0.22	—	0.37	0.20	0.11	0.90
2	Other Non-executive Directors :						
i)	Fees for attending Board/Committee Meetings	—	0.03	—	—	—	0.03
ii)	Commission	—	—	—	—	—	—
iii)	Others	—	—	—	—	—	—
	Total (2)	—	0.03	—	—	—	0.03
	Total (B) = (1+2)	0.22	0.03	0.37	0.20	0.11	0.93
	Ceiling as per the Act	Within 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.					
	Total Managerial Remuneration (A + B)						17.19

\$ Appointed w.e.f. July 3, 2017.

Resigned on November 7, 2017.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

₹ Crores

Sr. No.	Particulars of Remuneration	Key Managering Personnel			Total
		Mr. Manish Bhatia (CFO) \$	Ms. Aneeta S. Kulkarni (CS)	Mr. Pramod K. Akhramka (CFO) ®	
1	Gross salary :				
a	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.64	0.66	1.37	2.67
b	Value of perquisites U/s 17(2) of the Income Tax Act, 1961	#	#	—	#
c	Profits in lieu of salary U/s 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission :	—	—	—	
	— as % of profit	—	—	—	—
	— others	—	—	—	—
5	Others	—	—	—	—
	Total	0.64	0.66	1.37	2.67

Amount less than ₹ 50,000/-.

\$ Appointed w.e.f. August 22, 2017.

® Resigned on August 22, 2017.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

There were no penalties/punishments/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers-in-default, if any, during the year.

For and on behalf of the Board

Place : Mumbai
Date : May 29, 2018

SHOBHAN M. THAKORE
Chairman

Independent Auditors' Report

To the Members of Prism Johnson Limited (Formerly Prism Cement Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Prism Johnson Limited** (Formerly Prism Cement Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the 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 "standalone financial statements").

Management's Responsibility for the Standalone 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 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") specified under section 133 of the Act, read with rules made thereunder and the relevant provisions of the Act.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 in accordance with the Standards on Auditing specified under section 143(10) of the Act and

other applicable pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2018, and its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 (including Other Comprehensive Income), 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 financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rules made thereunder and relevant provisions of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements 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,

as amended, in our opinion and to the best of our information and according to the explanations given to us:

- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 4.04 to the standalone financial statements;
- The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long-term contracts including derivative contracts; and
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For **G. M. KAPADIA & CO.**

Chartered Accountants

Firm's Registration No: 104767W

ATUL SHAH

Partner

Membership No: 039569

Place : Mumbai

Date: May 29, 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date, to the members of the Company on the standalone financial statements for the year ended March 31, 2018)

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, plant and equipment;
- (b) The Company has a regular programme of physical verification of Property, plant and equipment by which all Property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size

of the Company and nature of its business. Pursuant to the program, a portion of Property, plant and equipment has been physically verified by the management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records; and

- (c) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management and further based on certificate received from the debenture trustee / security trustee, the title deeds of immovable properties included in Property, plant and equipment are held in the name of the Company except for following:

Particulars	Gross Block	Net Block	Remark
	As at March 31, 2018 (₹ in Crores)		
Freehold Land/ Leasehold Land/ Premises	22.52	21.30	In the year 2009-10, vide a scheme of amalgamation approved by the relevant high courts, H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited were amalgamated into the Company. These immovable properties are continued to be in the name of the above transferor companies and as represented by the Company, it is in the process of getting these properties transferred / registered in its name. The Company is in the possession of the relevant title deeds registered in the name of H. & R. Johnson (India) Limited or RMC Readymix (India) Private Limited, as the case maybe.

- (ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable; and
- (b) The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has granted unsecured loan to one body corporate covered in the register maintained under section 189 of the Act.
- (a) In our opinion, the rate of interest and other terms and conditions on which such loan had been granted were not, prima facie, prejudicial to the interest of the Company;
- (b) According to the information and explanations given to us, no repayment schedule has been specified in respect of such loans granted and accordingly, the question of regularity in repayment of principal amount does not arise; and
- (iv) There are no overdue amounts in respect of such loan. 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 investments made and loans, guarantees and securities granted.
- (v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act, and the

rules framed there under, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2018, for a period of more than six months from the date they became payable; and
- (b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Central Excise and Service Tax	2001-02 to 2011-12	Customs Excise & Service Tax Appellate Tribunal	7.01
	1996-97 (Feb.97)	The High Court, Jabalpur	0.98
	2005-06 to 2015-16	Central Excise Service Tax Appellate Tribunal	15.40
	2007-08 to 2017-18	Commissioner (Appeals)	2.03
	2015-17	Assistant Commissioner (Appeals)	0.21
	2015-16	Deputy Commissioner (Appeals)	0.08
	2012-13 to 2016-17	Joint Commissioner (Appeals)	0.53
	2008-09 to 2016-17	Additional Commissioner, Maharashtra	1.26
	2010-11 to 2014-15	Assistant Commissioner Central Excise	0.01
Sales Tax (Central & State)	2000-01 to 2005-06	The High Court, Chattisgarh	7.56
	2009-10	The High Court, Madhya Pradesh	0.53
	2010-11	Commercial Tax Appellate Board, Bhopal	0.28
	2010-11 to 2011-12	Commissioner (Appeals), Delhi	0.19
	2010-11 to 2012-13	Joint Commissioner (Appeals), Maharashtra	7.87
	2009-10 to 2014-15	Additional Commissioner, Madhya Pradesh	4.01
	2010-11 to 2011-12	Appellate Board, Madhya Pradesh	0.12



Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
	2002-03 to 2005-06 and 2007-08 to 2008-09	Tribunal, Madhya Pradesh	0.20
	2013-14 to 2014-15	Assessment Authority - Telangana	0.13
	2010-11 to 2011-12	Commissioner (appeals), Punjab	0.13
	2000-01 to 2001-02 and 2012-13 & 2013-14	Sales tax Appellate Tribunal, Hyderabad	0.21
	2005-06 to 2006-07	Joint Commissioner of Sales Tax, Mumbai	0.34
	2007-08 to 2009-10	Appellate Deputy Commissioner, Chennai	0.47
	2009-10	Assistant Commissioner Commercial Tax	0.35
	2010-11	Joint Commissioner of Commercial Tax, Appeals Gujarat	0.06
	2010-11	Deputy Commissioner of Commercial Tax, Gujarat	0.08
	2010-11	Assistant Commissioner of Commercial Tax, Bangalore	0.07
	2011-14	Assistant Commissioner Commercial Tax, Cochin	0.11
	2012-13	Senior Joint Commissioner of Commercial Taxes, Kolkata	0.05
	2013-14	Assistant Commissioner Commercial Tax, Madhya Pradesh	0.04
	2014-15 and 2015-16	Joint Commissioner of Sales Tax, Andhra Pradesh	2.05
	2009-10	Assistant Commissioner (Appeals), Madhya Pradesh	0.02
	2009-10	Assistant Commissioner, Punjab	0.04
	2010-11 to 2011-12	Excise & Taxation Officer, Mohali	0.01
	2010-11 to 2015-16	Deputy Commissioner (Appeals), Kerala	0.85
Madhya Pradesh Commercial Tax Act, 1944	2012-13 to 2016-17	The High Court, Madhya Pradesh	12.90
Madhya Pradesh Entry Tax Act, 1976	2006-07 and 2010-2011	The High Court, Madhya Pradesh	0.67
	2006-07 to 2016-17	The High Court, Madhya Pradesh	69.34
Uttar Pradesh Commercial Tax Act, 1956	1998-99	The High Court, Uttar Pradesh	0.08
	1996-97 to 1997-98	Tribunal, Uttar Pradesh	0.05
West Bengal Sales Tax Act, 1954	2013-14 and 2014-15	Commissioner (Appeals)	0.61
Energy Development Cess, 2001	2000-01 to 2005-06	The Supreme Court	8.90
Income Tax Act, 1961	2000-01, 2001-02 & 2011-14	Commissioner of Income Tax (Appeals)	4.15
West Bengal CST Sales	2012-13	Sr. Joint Commissioner Appellate, Kolkata	0.16
Royalty on Mining Minerals	2010-11 to 2011-12	Director of Mines & Geology, Hyderabad	0.09

- (viii) The Company has not defaulted in repayment of dues to any financial institutions, banks, government or debenture holders.
- (ix) The Company has raised term loans during the year which have been applied for the purpose for which they were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **G. M. KAPADIA & CO.**
Chartered Accountants
Firm's Registration No: 104767W

ATUL SHAH

Partner

Place : Mumbai
Date : May 29, 2018

Membership No: 039569

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of Prism Johnson Limited (Formerly Prism Cement Limited) on the Standalone Financial Statements for the year ended March 31, 2018)

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

We have audited the internal financial controls with reference to financial statements of Prism Johnson Limited (Formerly Prism Cement Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone 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 with reference to financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness



exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **G. M. KAPADIA & CO.**

Chartered Accountants

Firm's Registration No: 104767W

ATUL SHAH

Partner

Membership No: 039569

Place : Mumbai

Date : May 29, 2018

Standalone Balance Sheet

as at March 31, 2018

₹ Crores

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	1,996.91	1,971.60
Capital work-in-progress	4.05	92.54	94.51
Intangible assets	2.02	16.01	17.61
Financial assets			
Investments	2.03	415.70	381.93
Loans	2.04	51.16	49.78
Other financial assets	2.05	59.22	60.03
Deferred tax assets (net)	2.06	56.38	63.91
Other non-current assets	2.07	160.80	180.85
Total Non-current Assets		2,848.72	2,820.22
Current Assets			
Inventories	2.08	431.54	399.74
Financial assets			
Trade receivables	2.09	662.12	605.47
Cash and cash equivalents	2.10	55.13	54.12
Bank balances other than Cash and cash equivalents	2.11	4.38	12.58
Loans	2.04	3.55	5.18
Other financial assets	2.05	18.73	40.17
Current tax assets (net)	2.12	44.36	26.84
Non-current assets classified as held for sale	4.19	1.23	—
Other current assets	2.07	133.22	145.24
Total Current Assets		1,354.26	1,289.34
TOTAL ASSETS		4,202.98	4,109.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.13	503.36	503.36
Other equity	2.14	522.47	452.29
Total Equity		1,025.83	955.65
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.15	930.24	1,009.36
Other financial liabilities	2.17	218.00	208.15
Provisions	2.18	22.15	20.93
Other non-current liabilities	2.19	33.95	32.07
Total Non-current Liabilities		1,204.34	1,270.51
Current Liabilities			
Financial liabilities			
Borrowings	2.15	312.38	290.25
Trade payables	2.16	735.14	745.36
Other financial liabilities	2.17	597.54	620.96
Other current liabilities	2.19	261.68	184.37
Provisions	2.18	39.07	31.18
Current tax liabilities (net)	2.20	27.00	11.28
Total Current Liabilities		1,972.81	1,883.40
TOTAL EQUITY AND LIABILITIES		4,202.98	4,109.56
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board
Shobhan M. Thakore
(Chairman)
Vijay Aggarwal
(Managing Director)
Joydeep Mukherjee
(Executive Director & CEO - HRJ)
Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)
Vivek K. Agnihotri
(Executive Director & CEO - Cement)
Atul R. Desai
(Executive Director & CEO - RMC)
Aneeta S. Kulkarni
(Company Secretary)



Standalone Statement of Profit and Loss

for the year ended March 31, 2018

₹ Crores

Particulars	Note No.	Year ended	Year ended
		March 31, 2018	March 31, 2017
INCOME			
Revenue From Operations	3.01	5,520.00	5,465.71
Other Income	3.02	66.16	89.53
Total Income		5,586.16	5,555.24
EXPENSES			
Cost of materials consumed		1,305.16	1,205.04
Purchase of stock-in-trade		1,119.75	1,146.57
Changes in inventories	3.03	54.16	13.59
Power and fuel expenses		732.69	633.97
Freight outward expenses		670.04	651.81
Excise duty		111.51	445.04
Other manufacturing expenses	3.04	335.36	317.39
Employee benefits expense	3.05	413.99	380.72
Finance costs	3.06	187.28	183.35
Depreciation and amortization expense	3.07	153.07	160.21
Other expenses	3.08	398.09	389.42
Total Expenses		5,481.10	5,527.11
Profit before Exceptional items and Tax		105.06	28.13
Exceptional items		—	—
Profit before tax		105.06	28.13
Tax expenses	3.09		
Current tax		27.00	11.95
Deferred tax		7.65	(1.33)
Total tax expenses		34.65	10.62
Profit for the year		70.41	17.51
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to Profit or Loss			
Remeasurements of the defined benefit plans		(0.35)	(3.59)
Income Tax relating to items that will not be reclassified to profit or loss	3.09	0.12	1.24
Total Other Comprehensive Income / (Loss)		(0.23)	(2.35)
Total Comprehensive Income for the year		70.18	15.16
Earnings per share (Face value of ₹ 10/- each) (Refer note 4.01) :			
Basic (in ₹)		1.40	0.35
Diluted (in ₹)		1.40	0.35
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No. 104767W

Atul Shah

Partner

Membership No. 039569

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board

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(Executive Director & CEO - HRJ)

Manish Bhatia

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(Director)

Vivek K. Agnihotri

(Executive Director & CEO - Cement)

Atul R. Desai

(Executive Director & CEO - RMC)

Aneeta S. Kulkarni

(Company Secretary)

Standalone Statement of changes in Equity for the year ended March 31, 2018

		₹ Crores			
A. EQUITY SHARE CAPITAL	Note No.	Amount			
Balance as at April 1, 2016	2.13	503.36			
Changes in equity share capital during the year		—			
Balance as at March 31, 2017	2.13	503.36			
Changes in equity share capital during the year		—			
Balance as at March 31, 2018	2.13	503.36			
B. OTHER EQUITY	Reserves and Surplus (refer note 2.14)				
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2016	10.75	85.09	155.67	185.62	437.13
Profit for the year	—	—	—	17.51	17.51
Other Comprehensive Income / (loss)	—	—	—	(2.35)	(2.35)
Total Comprehensive Income for the year	10.75	85.09	155.67	200.78	452.29
Transferred from Retained Earnings	—	36.34	—	—	36.34
Transferred to Debenture Redemption Reserve	—	—	—	(36.34)	(36.34)
Balance as at March 31, 2017	10.75	121.43	155.67	164.44	452.29
Balance as at April 1, 2017	10.75	121.43	155.67	164.44	452.29
Profit for the year	—	—	—	70.41	70.41
Other Comprehensive Income / (loss)	—	—	—	(0.23)	(0.23)
Total Comprehensive Income for the year	10.75	121.43	155.67	234.62	522.47
Transferred to Retained Earnings	—	(12.20)	—	—	(12.20)
Transferred from Debenture Redemption Reserve	—	—	—	12.20	12.20
Balance as at March 31, 2018	10.75	109.23	155.67	246.82	522.47

Significant Accounting Policies Note - 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No. 104767W

Atul Shah

Partner

Membership No. 039569

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board

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(Executive Director & CEO - Cement)

Atul R. Desai

(Executive Director & CEO - RMC)

Aneeta S. Kulkarni

(Company Secretary)



Standalone Cash Flow Statement

for the year ended March 31, 2018

₹ Crores

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	105.06	28.13
Non-cash Adjustment to Profit before tax :		
Depreciation and amortisation expense	153.07	160.21
Impairment on trade receivables	17.83	24.82
Impairment on non current assets	0.02	0.32
Amortisation of processing fees	6.24	6.48
Bad debts written off	5.40	3.45
Unwinding of interests and discounts	(1.68)	(1.25)
(Gain) / Loss on disposal of Property, plant and equipment	(0.85)	(2.08)
(Gain) / Loss on sale of investments	(5.40)	—
Dividend and interest income	(7.72)	(8.88)
Finance costs	180.99	176.84
Exchange differences (net)	0.74	(2.75)
Other non-cash items	(4.89)	(3.22)
Operating profit before change in operating assets and liabilities	448.81	382.07
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(80.42)	(24.98)
Decrease/(increase) in inventories	(31.80)	71.96
Increase/(decrease) in trade payables	(5.85)	(16.40)
Decrease/(increase) in other financial assets	22.60	118.90
Decrease/(increase) in loans	0.95	(1.11)
Decrease/(increase) in other non-current and current assets	41.79	(2.62)
Increase/(decrease) in provisions	9.07	(19.60)
Increase/(decrease) in other current and non-current financial liabilities	6.47	21.17
Increase/(decrease) in other current and non-current liabilities	76.89	18.75
Cash generated from operations	488.51	548.14
Direct taxes paid (net of refunds)	29.56	5.04
Net cash flow from operating activities (A)	458.95	543.10
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of Property, plant and equipment	(175.67)	(128.07)
Payments for purchase of investments	(35.00)	(56.00)
Proceeds from sale of investments	6.90	4.96
Proceeds from disposal of Property, plant and equipment	2.44	2.80
Interest received	7.41	8.72
Dividend received	0.04	0.04
Net cash flow used in investing activities (B)	(193.88)	(167.55)

Standalone Cash Flow Statement for the year ended March 31, 2018 (Contd...)

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	456.80	292.21
Repayment of borrowings	(550.81)	(512.07)
Loan given to a Subsidiary	(0.90)	(0.75)
Interest received on loan given to a Subsidiary	—	0.11
Interest paid	(169.15)	(175.96)
Net cash flow used in financing activities (C)	(264.06)	(396.46)
Net increase / (decrease) in cash and cash equivalents (A+B+ C)	1.01	(20.91)
Cash and cash equivalents at the beginning of the year	54.12	75.03
Cash and cash equivalents at the end of the year	55.13	54.12
Cash and cash equivalents comprise of :		
Balances with bank	51.39	49.75
Cheques / drafts on hand	2.85	3.52
Cash on hand	0.89	0.85
Total	55.13	54.12

Notes :

- The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
- Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)
Vijay Aggarwal
(Managing Director)
Joydeep Mukherjee
(Executive Director & CEO - HRJ)
Manish Bhatia
(Chief Financial Officer)

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(Director)
Vivek K. Agnihotri
(Executive Director & CEO - Cement)
Atul R. Desai
(Executive Director & CEO - RMC)
Aneeta S. Kulkarni
(Company Secretary)



Notes to the Standalone Financial Statements

for the year ended March 31, 2018

BACKGROUND

Prism Johnson Limited (Formerly Prism Cement Limited), a Public Limited Company domiciled in India, incorporated under the Companies Act, 1956, principally operates in three business segments : Cement; Tile and Bath (HRJ) and Ready Mixed Concrete (RMC). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange (India) Limited.

Authorisation of financial statements : The financial statements were authorised for issue in accordance with a resolution of the board of directors dated May 29, 2018.

1. SIGNIFICANT - POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

1.1 Basis of Preparation

a) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

b) Historical cost convention

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

- a) certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b) defined benefit plans - plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if it is :

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current on net basis.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

1.4 Use of judgements, estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below :

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries :

- a) Antique Marbonite Private Limited
- b) Small Johnson Floor Tiles Private Limited
- c) Spectrum Johnson Tiles Private Limited
- d) Sentini Cermica Private Limited
- e) Coral Gold Tiles Private Limited

Key assumptions

- a) Financial instruments; (Refer note 4.07)
- b) Useful lives of Property, plant and equipment and Intangible assets; (Refer note 1.5)
- c) Valuation of inventories; (Refer note 1.8)
- d) Assets and obligations relating to employee benefits; (Refer note 4.03)
- e) Evaluation of recoverability of deferred tax assets; (Refer note 2.06)
- f) Contingencies and (Refer note 4.04)
- g) Mine Restoration Provision (Refer note 1.22)

1.5 Property, plant and equipment

- a) Freehold land is carried at historical cost less impairment losses, if any.
- b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- c) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.



- d) An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.
- e) Expenditure directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.
- f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- g) Lease arrangements for land are identified as finance lease, in case such arrangements result in transfer of the related risks and rewards to the Company. Accordingly, the Company identifies any land lease arrangement with a term in excess of 50 years as a finance lease.
- h) Stores and spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.
- i) Cost of mining reserve included in freehold / leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.
- j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, plant and equipment and has adopted the useful lives and residual value as prescribed therein except following cases which are based on internal technical assessment :

Assets	Useful life of asset
Mobile Phones	1-3 years
Motor car given to employees as per the Company's scheme or vehicle used by employees	5-6 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease / rent agreement
Machinery spares	Over the useful life of the related assets
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any
Plant and Machinery - Concrete Pumps	6 years

Freehold land is not depreciated. Land on finance lease is amortised over the period of lease.

- k) The Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, plant and equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.
- l) All assets costing up to ₹10,000/- are fully depreciated in the year of capitalisation.

1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Technical know-how / license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortization expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows :

Assets	Amortisation method / Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1-8 years
Mineral Procurement Rights	Unit of Production method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Company can demonstrate the following :

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sell the asset;
- Ability to generate future economic benefits;
- The availability of adequate resources to complete the development and use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.7 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Subsidiaries, Joint Ventures and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.



Traded goods are valued at lower of weighted average cost and net realisable value.

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

1.9 Cash and Cash Equivalents

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

For the purpose of statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

1.10 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.11 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following :

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset is classified and measured at amortised cost if both of the following conditions are met :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI

A financial asset is classified and measured at FVTOCI if both of the following conditions are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement : Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

1.12 Financial Liabilities and Equity Instruments

Classification as debt or equity :

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments :

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

1.13 Investments in Subsidiaries, Joint Ventures and Associate

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following: (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.



A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the Joint Venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its Subsidiaries, Joint Ventures and Associate are accounted at cost.

1.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.15 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of :

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.16 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations

The Company operates the following post-employment schemes :

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Company contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Company, the management does not expect any material liability on account of interest shortfall to be borne by the Company. The said contributions are charged to the Statement of Profit and Loss.

c) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.17 Revenue Recognition

a) 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. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates but does not include value added tax (VAT), central sales tax (CST) and Goods and Services Tax (GST).

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. However, the recovery of GST is at the time of supply and on behalf of taxation authorities, revenue excludes GST.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

b) Rendering of services

Revenue from services are recognised as and when the services are rendered on stage of completion method. Income from services does not include service tax (ST) / GST.

c) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

d) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.



1.18 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

1.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a lessee :

Leases of Property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.21 Foreign currency translation**a) Functional and presentation currency**

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.22 Mine Restoration Provision

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

**2.01 PROPERTY, PLANT AND EQUIPMENT :**

₹ Crores

Particulars	Gross Carrying Amount				Depreciation			Net Block	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2017
Own Assets :									
Land - Freehold	516.01	49.72	0.01	565.72	8.15	5.06	—	552.51	507.86
Buildings	187.65	3.92	2.03	189.54	22.17	11.51	1.99	157.85	165.48
Plant and Machinery	1,410.48	43.24	1.58	1,452.14	239.00	90.70	1.30	1,123.74	1,171.48
Railway siding	3.42	—	—	3.42	0.38	0.19	—	2.85	3.04
Office Equipment	8.94	3.21	0.68	11.47	4.03	1.42	0.59	4.86	4.91
Computers	10.65	3.24	0.81	13.08	4.87	3.02	0.60	7.29	5.78
Mines Development	119.85	40.71	—	160.56	58.65	28.13	—	86.78	61.20
Furniture and Fixtures	21.83	10.13	0.62	31.34	8.10	3.37	0.30	20.17	13.73
Vehicles	16.75	1.58	1.79	16.54	5.65	2.93	1.25	7.33	11.10
Truck Mixers, Loaders and Dumpers	10.82	0.45	0.01	11.26	7.34	1.63	0.01	8.96	3.48
Total (A)	2,306.40	156.20	7.53	2,455.07	358.34	147.96	6.04	1,954.81	1,948.06
Assets taken on Finance Lease :									
Land	8.91	1.25	0.11	10.05	0.78	0.21	0.01	0.98	8.13
Plant and Machinery	16.84	20.78	—	37.62	1.83	3.11	—	4.94	15.01
Vehicles	0.41	—	—	0.41	0.01	0.05	—	0.06	0.40
Total (B)	26.16	22.03	0.11	48.08	2.62	3.37	0.01	42.10	23.54
Total (A+B)	2,332.56	178.23	7.64	2,503.15	360.96	151.33	6.05	1,996.91	1,971.60

2.01 PROPERTY, PLANT AND EQUIPMENT (Contd...)

₹ Crores

Particulars	Gross Carrying Amount				Depreciation			Net Block	
	As at April 1, 2016	Addition	Disposal	As at March 31, 2017	As at April 1, 2016	For the Year	Elimination on disposal	As at March 31, 2017	As at March 31, 2016
Own Assets :									
Land - Freehold	485.53	30.49	0.01	516.01	3.99	4.16	—	8.15	507.86
Buildings	183.92	3.96	0.23	187.65	10.98	11.19	—	22.17	165.48
Plant and Machinery	1,369.68	40.96	0.16	1,410.48	144.05	94.96	0.01	239.00	1,171.48
Railway siding	3.42	—	—	3.42	0.19	0.19	—	0.38	3.04
Office Equipment	7.23	1.86	0.15	8.94	2.03	2.06	0.06	4.03	4.91
Computers	7.85	2.97	0.17	10.65	2.25	2.66	0.04	4.87	5.78
Mines Development	108.38	11.47	—	119.85	28.61	30.04	—	58.65	61.20
Furniture and Fixtures	21.13	0.89	0.19	21.83	4.66	3.48	0.04	8.10	13.73
Vehicles	13.54	3.77	0.56	16.75	2.76	3.05	0.16	5.65	11.10
Truck Mixers, Loaders and Dumpers	10.04	0.78	—	10.82	4.76	2.58	—	7.34	3.48
Total (A)	2,210.72	97.15	1.47	2,306.40	204.28	154.37	0.31	358.34	1,948.06
									2,006.44

Assets taken on Finance Lease :

Land	8.96	0.01	0.06	8.91	0.61	0.17	—	0.78	8.13
Plant and Machinery	10.07	6.77	—	16.84	0.22	1.61	—	1.83	15.01
Vehicles	—	0.41	—	0.41	—	0.01	—	0.01	0.40
Total (B)	19.03	7.19	0.06	26.16	0.83	1.79	—	2.62	23.54
Total (A + B)	2,229.75	104.34	1.53	2,332.56	205.11	156.16	0.31	360.96	1,971.60
									2,024.64

Notes :

- Depreciation for the year includes ₹ 1.82 Crores (Previous year : ₹ 0.21 Crores) considered for capitalisation.
- Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.
- Additions to Plant and Machinery during the year includes ₹ 0.11 Crores (Previous year : ₹ 0.34 Crores) on account of Research assets.

**2.02 INTANGIBLE ASSETS :**

Particulars	Gross Carrying Amount			Amortisation			Net Block	
	As at April 1, 2017	Addition	Disposal	As at March 31, 2018	As at April 1, 2017	For the Year	As at March 31, 2018	As at March 31, 2017
Software	13.54	1.96	—	15.50	4.07	2.49	6.56	8.94
Intellectual Property Rights	1.77	—	—	1.77	1.18	0.59	1.77	—
Mining Lease Rights	8.25	—	—	8.25	0.80	0.44	1.24	7.01
Minerals Procurement Rights	2.28	—	—	2.28	2.26	—	2.26	0.02
Technical Know-how	0.14	—	—	0.14	0.06	0.04	0.10	0.08
Total	25.98	1.96	—	27.94	8.37	3.56	11.93	16.01

Particulars	Gross Carrying Amount			Amortisation			Net Block	
	As at April 1, 2016	Addition	Disposal	As at March 31, 2017	As at April 1, 2016	For the Year	As at March 31, 2017	As at March 31, 2016
Software	10.36	3.18	—	13.54	1.83	2.24	4.07	9.47
Intellectual Property Rights	1.77	—	—	1.77	0.59	0.59	1.18	0.59
Mining Lease Rights	8.25	—	—	8.25	0.40	0.40	0.80	7.45
Minerals Procurement Rights	2.28	—	—	2.28	1.26	1.00	2.26	0.02
Technical Know-how	0.14	—	—	0.14	0.03	0.03	0.06	0.11
Total	22.80	3.18	—	25.98	4.11	4.26	8.37	17.61

Range of remaining period of amortisation as at March 31, 2018 of Intangible assets is as below :

Assets	Range of remaining period of amortisation				Net Block
	< 5 year	6 - 10 year	> 10 year		
Software	5.24	3.70	—	—	8.94
Intellectual Property Rights	—	—	—	—	—
Mining Lease Rights	—	—	7.01	7.01	7.01
Minerals Procurement Rights	0.02	—	—	—	0.02
Technical Know-how	0.04	—	—	—	0.04
Total	5.30	3.70	7.01	7.01	16.01

2.03 INVESTMENTS

		₹ Crores			
Particulars	Face Value ₹	As at March 31, 2018		As at March 31, 2017	
		Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid up) - Unquoted					
Investment in Subsidiaries - measured at cost					
• Raheja QBE General Insurance Company Limited	10	10,55,70,000	105.57	10,55,70,000	105.57
• Silica Ceramica Private Limited #	10	6,15,45,783	188.31	3,44,97,883	153.31
• H. & R. Johnson (India) TBK Limited	100	1,61,020	29.71	1,61,020	29.71
• Antique Marbonite Private Limited #	10	30,09,000	15.08	30,09,000	15.08
• Small Johnson Floor Tiles Private Limited *	10	20,00,000	13.30	20,00,000	13.30
• Sentini Cermica Private Limited #	10	20,00,000	10.00	23,00,000	11.50
• Milano Bathroom Fittings Private Limited *	100	72,446	9.09	72,446	9.09
• Spectrum Johnson Tiles Private Limited	10	21,65,388	8.03	21,65,388	8.03
• Coral Gold Tiles Private Limited	10	26,00,000	5.46	26,00,000	5.46
• RMC Readymix Porcelano (India) Limited	10	50,000	0.05	50,000	0.05
Investment in Joint Ventures - measured at cost					
• Ardex Endura (India) Private Limited	10	65,00,000	6.50	65,00,000	6.50
Investment in Associate - measured at cost					
• Prism Power and Infrastructure Private Limited	10	4,900	—	4,900	—
Other Investments designated at FVTOCI					
• B L A Power Private Limited	10	1,75,00,000	21.00	1,75,00,000	21.00
(A)			412.10		378.60
Investments in preference shares (fully paid up) Unquoted					
Investment in Subsidiaries - measured at amortised cost					
• Milano Bathroom Fittings Private Limited (1% Non-cumulative and Redeemable Preference Shares)	100	3,87,500	2.38	3,87,500	2.22
• Small Johnson Floor Tiles Private Limited (0.01% Non-cumulative Optionally Convertible Preference Shares)	10	40,00,000	1.22	40,00,000	1.11
(B)			3.60		3.33
Total non-current investments (A + B)			415.70		381.93
Aggregate book value of quoted investments			—		—
Aggregate market value of investments designated at FVTOCI			21.00		21.00
Aggregate amount of unquoted investments			394.70		360.93

Company has given Non Disposal Undertaking to certain banks for its investment in above Subsidiaries.

* Investment in Subsidiaries viz Milano Bathroom Fittings Private Limited and Small Johnson Floor Tiles Private Limited includes equity component recognised from 1% Non-cumulative and Redeemable Preference Shares and 0.01% Non-cumulative Optionally Convertible Preference Shares respectively. The carrying value of such equity component is ₹ 2.36 Crores (Previous year : ₹ 2.36 Crores) and ₹ 3.30 Crores (Previous year : ₹ 3.30 Crores) with respect to these Companies.

**2.04 LOANS**

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Security Deposits - Utility				
Unsecured, considered good	31.15	31.43	1.05	2.33
(a)	31.15	31.43	1.05	2.33
Security Deposits - Rental				
Unsecured, considered good	15.12	14.10	—	—
Doubtful	0.82	0.84	—	—
	15.94	14.94	—	—
Less : Impairment of Deposits	0.82	0.84	—	—
(b)	15.12	14.10	—	—
Loans to related parties				
Loan to a subsidiary company *				
Unsecured, considered good	4.00	3.10	—	—
(c)	4.00	3.10	—	—
Loans to employees				
Unsecured, considered good	0.89	1.15	2.50	2.85
(d)	0.89	1.15	2.50	2.85
Total	(a + b + c + d)	51.16	49.78	5.18

Note: No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except security deposit of ₹ 0.06 Crores (Previous year : ₹ 0.06 Crores) for premises given to Director.

* Further information about these loans is set out in notes 4.11 and 4.12.

2.05 OTHER FINANCIAL ASSETS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Insurance claim receivable (refer note 4.16)	58.94	58.94	3.66	6.08
Bank deposits with more than twelve months maturity (restricted use)	0.23	1.04	—	—
Accrued Interest	—	—	1.10	0.56
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	—	—
Balances related to Coal Mine and Infrastructure (refer note 4.15)	—	—	13.93	33.18
Other receivables	—	—	0.04	0.35
Total	59.22	60.03	18.73	40.17

2.06 DEFERRED TAX ASSETS (NET)

Significant components of deferred tax assets / (liabilities) recognised in the financial statements are as follows :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Deferred tax (liabilities) / assets in relation to :		
Unabsorbed depreciation / Business loss as per Income Tax	126.98	171.64
Provision for Employees Benefits	54.92	44.95
Other temporary differences / unutilised tax asset	31.06	18.85
Property, plant and equipment	(156.58)	(171.53)
Total	56.38	63.91

Particulars	₹ Crores				
	As at March 31, 2018	Credited / (Charged) to Statement of P&L / OCI	As at March 31, 2017	Credited / (Charged) to Statement of P&L / OCI	As at March 31, 2016
Deferred tax (liabilities)/assets in relation to :					
Unabsorbed depreciation / Business loss as per Income Tax	126.98	(44.66)	171.64	(29.33)	200.97
Provision for employees benefits	54.92	9.97	44.95	10.25	34.70
Other temporary differences / unutilised tax asset	31.06	12.21	18.85	31.35	(12.50)
Property, plant and equipment	(156.58)	14.95	(171.53)	15.38	(186.91)
Total	56.38	(7.53)	63.91	27.65	36.26

2.07 OTHER ASSETS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Capital Advances	58.61	54.82	—	—
Advances other than Capital Advances				
Balances with government authorities:				
CENVAT / VAT / GST receivables	—	—	31.42	43.72
Balances with statutory authorities	—	—	1.05	2.27
Excise / VAT / Service Tax / Custom duty deposited under protest	8.41	7.79	12.19	12.14
Security Deposits	9.48	8.42	0.26	0.94
Advances to other parties (net of provision for doubtful)	27.41	26.52	2.56	3.61
Prepaid expenses	4.21	3.79	10.12	9.56
Royalty refund receivable	—	—	17.12	17.12
Others	52.68	79.51	58.50	55.88
Total	160.80	180.85	133.22	145.24

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

**2.08 INVENTORIES**

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Raw materials	111.43	90.31
Goods-in-transit	0.16	0.11
Stores and spares	64.26	43.69
Goods-in-transit	2.43	0.16
Fuel Stock	62.30	41.39
Goods-in-transit	34.34	0.18
Work-in-progress	40.64	33.73
Finished goods	73.27	139.71
Goods-in-transit	8.26	10.08
Stock-in-trade	33.60	37.05
Goods-in-transit	0.85	3.33
Total	431.54	399.74

Note : Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable value for the year is ₹ 10.32 Crores (Previous year : ₹ 11.73 Crores).

2.09 TRADE RECEIVABLES

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Secured, considered good	44.52	40.11
Unsecured, considered good	617.60	565.36
Unsecured, considered doubtful	107.47	89.64
	769.59	695.11
Less : Allowance for doubtful debts (expected credit loss)	107.47	89.64
Total	662.12	605.47

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

2.10 CASH AND CASH EQUIVALENTS

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Balances with banks :		
In current accounts	48.23	47.20
Deposits with original maturity of less than three months	3.16	2.55
Cheques / drafts on hand	2.85	3.52
Cash on hand	0.89	0.85
Total	55.13	54.12

2.11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Unclaimed Dividend	0.28	1.49
Term Deposits (original maturity for more than three months but less than twelve months) (restricted use)	4.10	11.09
Total	4.38	12.58

2.12 CURRENT TAX ASSETS (NET)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Current Tax Assets :		
Taxes paid (net of provision)	44.36	26.84
Total	44.36	26.84

2.13 EQUITY SHARE CAPITAL

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Authorised Share Capital :		
52,50,00,000 (Previous year : 52,50,00,000) Equity shares of ₹ 10/- each	525.00	525.00
Total	525.00	525.00
Issued, Subscribed and Paid up :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹ 10/- each	503.36	503.36
Total	503.36	503.36

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period :

Equity shares	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
	No. of Shares	No. of Shares
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	50,33,56,580	50,33,56,580

b. Rights, preference and restrictions attached to Equity & Preference shares :

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

**2.13 EQUITY SHARE CAPITAL (Contd...)****c. Details of shareholders holding more than 5% shares in the Company**

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22%	3,12,89,300	6.22%
HDFC Trustee Company Limited	2,64,82,422	5.26%	3,83,05,213	7.61%

2.14 OTHER EQUITY

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
General reserve	155.67	155.67
Retained earnings	246.82	164.44
Capital redemption reserve	10.75	10.75
Debentures redemption reserve	109.23	121.43
Total	522.47	452.29

Description of the nature and purpose of each reserve within equity is as follows:**(a) General Reserve :**

The Company had transferred a portion of the net profit of the Company before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) Retained Earnings :

Retained earnings are the net profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) Capital Redemption Reserve :

Capital redemption reserve was created pursuant to the scheme of amalgamation.

(d) Debenture Redemption Reserve (DRR) :

The Company has issued non-convertible debentures. In terms of provisions of the Companies (Share Capital and Debenture) Rules, 2014 (as amended), the Company is required to create DRR which is equal to 25% of the value of the debentures issued, over the term of the debentures, out of the profits of the Company available for payment of dividend.

2.15 BORROWINGS

Particulars	₹ Crores	
	Non-current	
	As at March 31, 2018	As at March 31, 2017
Secured		
Bonds / Debentures		
• 8.80% Non-convertible Debentures (refer Sr. No.1) {1000 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	100.00	—
• 9.25% Non-convertible Debentures (refer Sr. No.2) {2000 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}	200.00	200.00
• 10.75% Non-convertible Debentures (refer Sr. No.3) {1500 Nos. (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}	150.00	150.00
• 11.70% Non-convertible Debentures (refer Sr. No.4) {Nil (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	—	100.00
• 9.80% Non-convertible Zero coupon with yield-to-maturity (refer Sr. No.5) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 11.00% Non-convertible Debentures (refer Sr. No.6) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 12.65% Non-convertible Debentures (refer Sr. No.7) {Nil (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	—	50.00
• 12.65% Non-convertible Debentures (refer Sr. No.8) {Nil (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	—	100.00
• 11.25% Non-convertible Debentures (refer Sr. No.9) {Nil (Previous year : 1100 Nos.) debentures of ₹ 0.10 Crore each}	—	110.00
Term loans		
from banks (refer Sr. No. 10 to 15)	436.37	339.98
from bank (FCNR) (refer Sr. No. 16 & 17)	—	51.00
Vehicle loans (refer Sr. No. 18 to 20)		
from banks	4.01	4.88
Unsecured		
• (0.30)% + SBI Base rate Non-convertible Debentures (refer Sr. No. 25) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each }	100.00	100.00
• 9.00% Non-convertible Debentures (refer Sr. No. 26) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each }	100.00	—
Inter-corporate deposits (refer Sr. No. 27)	0.14	0.14
Buyer's Credit (refer Sr. No. 28)	—	5.55
Fixed deposits from public (refer Sr. No. 29)	12.84	21.40
Finance lease obligations (refer Sr. No. 30)	28.68	13.71
	1,232.04	1,346.66
Less : Disclosed under other Financial Liabilities :		
Current maturities of Non-current borrowings	291.68	331.16
Current maturities of finance lease obligations	8.62	3.95
Unclaimed fixed deposits	1.50	2.19
Total	930.24	1,009.36



2.15

BORROWINGS (Contd...)

Particulars	₹ Crores	
	Current	
	As at March 31, 2018	As at March 31, 2017
Secured		
Loans repayable to banks		
On Demand (refer Sr. No. 21 & 22)	18.65	125.64
Buyer's Credit (refer Sr. No. 23 & 24)	102.35	2.71
Unsecured (refer Sr. No. 31)		
Working Capital Demand Loans from banks	165.00	110.65
Buyer's Credit	1.38	1.25
Commercial Papers (Maximum balance outstanding during the year ₹ 75 Crores (Previous year : ₹ 150 Crores))	25.00	50.00
Total	312.38	290.25

(a) Debentures (Secured) :

The Company has issued the following Secured Redeemable Non-convertible Debentures :

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
1	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division, except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put / Call option at par on November 12, 2018 and November 11, 2019.	100.00	—
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020.	200.00	200.00
3	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on July 20, 2018; January 21, 2019; July 19, 2019.	150.00	150.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018. During the year, the terms of Non convertible debentures were modified with the consent of Debentureholder where the security has been released by Debentureholder and ROI reduced to 9 % pa.	—	100.00

2.15 BORROWINGS (Contd...)

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
5	Secured by first pari passu charge by way of hypothecation of all the movable Property, plant and equipment of HRJ Division located at Pen, Kunigal and Dewas, both present and future.	Allotted on January 21, 2015 and repayable on April 26, 2018 with Put/Call option at 11.25 % pa IRR basis redemption premium on April 26, 2017. Post April 26, 2017 the coupon rate has been reset to 9.80% till maturity.	50.00	50.00
6	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on February 3, 2015 and repayable on April 25, 2018.	50.00	50.00
7	Secured by first pari passu charge by way of hypothecation of all the movable Property, plant and equipment of HRJ Division located at Pen, Kunigal and Dewas, both present and future.	Allotted on July 22, 2014 and repayable on July 22, 2017.	—	50.00
8	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on July 22, 2014 and repayable on July 22, 2017.	—	100.00
9	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 20, 2014 and ₹ 55 Crores repayable on April 24, 2017, ₹ 40 Crores repayable on April 28, 2016, ₹ 55 Crores repayable on June 21, 2017 with Put / Call option at par on June 21, 2016.	—	110.00
Total			550.00	810.00

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
10	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 7 years including moratorium period from the date of facility availed on November 23, 2013.	—	27.50
11	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 7 years including moratorium period from the date of facility availed on September 28, 2013.	—	75.00
12	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years availed on March 16, 2016.	230.00	190.00
13	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor .	Quarterly installments payable over a period of 54 Months; ₹ 4.16 Crores each per quarter from November 17, 2018.	50.00	50.00



2.15

BORROWINGS (Contd...)

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
14	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	70.00	—
15	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	90.00	—
16	Secured by first pari passu charge by way of hypothecation of all the movable Property, Plant & Equipment of HRJ Division located at Pen, Kunigal and Dewas, both present and future.	Quarterly installments payable over a period of 3 years including moratorium period of 1 year; 8 equal quarterly installments from June 26, 2016.	—	18.66
17	Secured by first pari passu charge on entire movable Property, Plant & Equipment of RMC Division excluding assets charged exclusively to other lenders.	Quarterly installments payable over a period of 3 years including moratorium period of 1 year; 8 equal quarterly installments from June 26, 2016.	—	33.17
18	Secured by exclusive charge on vehicles of HRJ Division.	EMI over a period of 60 months from the respective date of disbursement.	3.12	3.84
19	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division.	EMI over a period of 60 months from the respective date of disbursement.	0.34	0.42
20	Secured by exclusive charge on vehicles of Cement Division.	EMI over a period of 60 months from the respective date of disbursement.	0.55	0.62
21	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	Payable within one year.	18.33	121.59
22	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of RMC Division.	Repayable on Demand.	0.32	4.05
23	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	As per due dates of respective buyer's credit.	5.28	2.71
24	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of Cement Division.	As per due dates of respective buyer's credit.	97.07	—
Total			565.01	527.56
Less : Unamortised borrowing costs			3.63	3.35
Total			561.38	524.21

2.15 BORROWINGS (Contd...)

(c) Terms of Repayment for Unsecured borrowings :

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
Non current Borrowings :				
25	Non-convertible Debentures	Allotted on September 15, 2015 and repayable on September 14, 2018 with Interest reset clause on September 30, 2016 and September 30, 2017.	100.00	100.00
26	Non-convertible Debentures	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018. During the year the terms of NCD were modified with the consent of Debentureholder where the security has been released by Debentureholder and ROI reduced to 9 % p.a.	100.00	—
27	Inter-corporate deposits	3 years from April 1, 2016.	0.14	0.14
28	Buyer's Credit	As per due dates of respective Buyer's Credit.	—	5.55
29	Fixed deposits from public	Payable over a period of one to two years from the respective date of disbursement.	12.84	21.40
30	Finance lease obligation	Payable over period of 5 years from the respective date of disbursement.	28.68	13.71
31	Current Borrowings		191.38	161.90
Total			433.04	302.70

(d) Assets pledged as security :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Current		
Receivables	662.12	605.47
Inventories	431.54	399.74
Total (a)	1,093.66	1,005.21
Non-current		
Freehold Land	516.10	471.83
Buildings	81.33	83.31
Plant and Machinery	915.91	984.44
Railway Siding	2.83	3.02
Office Equipments	3.39	3.31
Furniture and Fixtures	4.77	8.68
Computers	2.23	3.63
Mines Development	68.56	56.71
Vehicles	4.86	5.96
Movable Tangible assets at Pen, Dewas and Kunigal	177.29	186.26
Total (b)	1,777.27	1,807.15
Total (a + b)	2,870.93	2,812.36

**2.16 TRADE PAYABLES**

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Total outstanding dues of Micro Enterprises & Small Enterprises (refer Note 4.20)	0.25	0.06
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	734.89	745.30
Total	735.14	745.36

2.17 OTHER FINANCIAL LIABILITIES

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Current maturities of non-current borrowings	—	—	291.68	331.16
Current maturities of finance lease obligations	—	—	8.62	3.95
Payables for acquisition of Property, plant and equipment	—	—	32.98	28.45
Interest accrued	0.11	6.24	58.40	44.94
Unclaimed dividends *	—	—	0.28	1.49
Unpaid matured deposits and interest accrued thereon	—	—	1.82	2.62
Security deposits from customers / others	214.85	198.27	21.96	12.82
Payable to employees	—	—	11.61	10.26
Financial lease obligations	1.93	1.93	—	—
Finance guarantee obligations	0.72	1.66	0.94	1.11
Liability for expenses	0.39	0.05	168.32	183.50
Others	—	—	0.93	0.66
Total	218.00	208.15	597.54	620.96

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2018 (Previous year : Nil).

Details of Current maturities of Non-current borrowings

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Secured Loans :		
Non-convertible Debentures	100.00	260.00
Term loans	83.52	51.00
Vehicle loans	1.35	1.32
Unsecured Loans :		
Non-convertible Debentures	100.00	—
Buyer's Credit	—	5.55
Fixed Deposits from public	6.81	13.29
Total	291.68	331.16

2.18 PROVISIONS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Employee benefits :				
Provision for Gratuity	—	—	0.96	0.81
Provision for Bonus	—	—	12.70	10.77
Provision for Leave Encashment	17.86	17.68	12.22	9.00
Others	—	—	13.19	10.60
	17.86	17.68	39.07	31.18
Others :				
Provision for claims under litigations	0.07	0.07	—	—
Others	4.22	3.18	—	—
	4.29	3.25	—	—
Total	22.15	20.93	39.07	31.18

2.19 OTHER LIABILITIES

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Advance from customers	—	—	93.12	69.45
Statutory liabilities	22.73	19.05	104.48	55.34
Other employee benefit expenses	—	—	11.36	7.65
Others	11.22	13.02	52.72	51.93
Total	33.95	32.07	261.68	184.37

2.20 CURRENT TAX LIABILITIES (NET)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Provision for Taxation (net of taxes paid / adjusted)	27.00	11.28
Total	27.00	11.28

**3.01 REVENUE FROM OPERATIONS**

Particulars	₹ Crores	
	Year ended March 31,	Year ended March 31,
	2018	2017
Revenue from operations		
Sale of products (including excise duty) (refer note 4.17)	5,464.63	5,421.13
Sale of services	35.76	23.79
Other operating revenue :		
Scrap sales	8.01	6.46
Claims and recoveries	6.39	7.60
Export Incentive	2.01	1.59
Others	3.20	5.14
Total	5,520.00	5,465.71

3.02 OTHER INCOME

Particulars	₹ Crores	
	Year ended March 31,	Year ended March 31,
	2018	2017
Interest income earned on financial assets :		
Bank Deposits (at amortised cost)	1.23	1.85
Corporate guarantee / unwinding interest	1.31	1.02
Dividend on Preference Shares	0.30	0.28
Others	7.04	7.39
Other non-operating income :		
Liabilities no longer considered as payable	1.11	—
Government assistance - Tax Subsidy / Exemption	37.19	65.66
Miscellaneous income	11.73	8.50
Other gains and losses :		
Net gain on buy-back of investments	5.40	—
Net gain on foreign exchange fluctuation	—	2.75
Net gain on disposal of Property, plant and equipment	0.85	2.08
Total	66.16	89.53

3.03 CHANGES IN INVENTORIES

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Inventories at the end of the year (including in-transit)		
Stock-in-trade	34.45	40.38
Work-in-progress	40.64	33.73
Finished goods	81.53	149.79
(a)	156.62	223.90
Provision of excise duty reversed	(b) (13.12)	—
Inventories at the beginning of the year (including in-transit)		
Stock-in-trade	40.38	53.23
Work-in-progress	33.73	32.41
Finished goods	149.79	151.85
(c)	223.90	237.49
Total (a - b - c)	(54.16)	(13.59)

3.04 OTHER MANUFACTURING EXPENSES

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Stores and spares consumed	67.42	54.01
Plant and equipment hire charges	49.03	49.77
Repairs to plant and equipment	30.18	32.55
Royalty for minerals	53.78	51.85
Sub-contract charges	66.38	59.00
Plant upkeep expenses	38.32	35.31
Quarry expenses	22.64	25.38
Dies and punches consumed	3.66	7.08
Other manufacturing expenses	3.95	2.44
Total	335.36	317.39

3.05 EMPLOYEE BENEFITS EXPENSE

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	363.09	335.04
Contribution to provident and other funds	30.83	27.30
Staff welfare expenses	20.07	18.38
Total	413.99	380.72

**3.06 FINANCE COSTS**

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest and Finance charges on financial liabilities :		
Interest on overdraft / cash credit	8.96	11.22
Interest on borrowings	169.46	164.46
Interest on finance lease obligation	1.90	1.14
Interest on taxes	0.82	—
Exchange differences regarded as an adjustment to borrowing costs	—	0.02
Other borrowing costs	6.14	6.51
Total	187.28	183.35

3.07 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of Property, plant and equipment	149.51	155.95
Amortisation of Intangible assets	3.56	4.26
Total	153.07	160.21

3.08 OTHER EXPENSES

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Rent expenses	35.07	39.28
Rates and taxes	20.95	30.39
Travelling and communication expenses	52.13	50.74
Commission on sales	22.74	19.69
Advertisement, sales promotion and other marketing expenses	76.42	75.17
Legal and professional fees	61.98	46.22
Insurance	10.03	9.34
Impairment of trade receivables	17.83	24.82
Bad debts written off	5.40	3.45
Concrete pumping expenses	16.17	17.12
Research expenses *	3.82	3.51
Repairs to buildings	2.80	4.06
Repairs others	4.12	4.13
Bank charges	4.52	3.66
Net loss on foreign exchange fluctuation	0.74	—
Impairment of non-current assets	0.02	0.32
Miscellaneous expenses	63.35	57.52
Total	398.09	389.42
* Research expenses comprises of :		
Salaries and wages	1.83	1.61
Travelling and Communication	0.38	0.38
Others	1.61	1.52
Total	3.82	3.51

3.09 TAX EXPENSES

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
(a) Income tax expenses :		
Current tax		
In respect of the current year	27.00	11.95
Deferred tax		
In respect of the current year	7.65	(1.33)
Total	34.65	10.62
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.12	1.24
Total income tax expense recognised in the year (a - b)	34.53	9.38
(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows :		
Net profit before tax	105.06	28.13
Effective tax rate applicable to the Company	34.61%	34.61%
Tax amount at the enacted income tax rate	36.36	9.74
Add : Expenses not deductible in determining taxable profits	68.72	73.40
Less : Allowances / Deductibles	(60.42)	(53.81)
Minimum Alternative Tax	27.00	11.28
Tax relating to earlier years	—	0.67
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits	(41.29)	(37.82)
Incremental Deferred Tax liability on account of other temporary differences	4.16	5.92
Tax expense as per the Statement of Profit and Loss	34.53	9.38

**4.01 EARNINGS PER SHARE (EPS)**

Particulars	As at March 31, 2018	As at March 31, 2017
Basic earnings per share :		
Attributable to equity holders of the Company (₹)	1.40	0.35
Diluted earnings per share :		
Attributable to equity holders of the Company (₹)	1.40	0.35
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share :		
Profit attributable to equity holders of the Company used in calculating basic earnings per share (₹ Crores)	70.41	17.51
Diluted earnings per share :		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share (₹ Crores)	70.41	17.51
Weighted average number of Equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 LEASES

- a. Under finance lease arrangements, the Company had acquired mining rights of limestone, against which the total payment has been made and no contingent rent is payable.
- b. Details of Finance lease agreements (Land, Plant and Machinery) - Non-cancellable :
Future minimum lease payments (MLP) under these leases are as follows :

Finance lease Liabilities	₹ Crores			
	Minimum lease payment		Present value of Minimum lease payment	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Not later than one year	9.05	4.16	5.99	2.75
Later than one year and not later than five years	20.87	10.61	17.14	7.91
Later than five years	11.91	12.12	0.75	0.84
Total	41.83	26.89	23.88	11.50

At the expiry of the lease term, incase of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value.

- c. Operating lease agreements (Land, Machinery and Equipments) - Non-cancellable :

Future Lease Rental Payments	₹ Crores	
	Minimum lease payment	
	As at March 31, 2018	As at March 31, 2017
Due not later than one year	12.34	16.38
Due later than one year but not later than 5 years from the balance sheet date	21.07	25.40
Later than 5 years	—	—
Total	33.41	41.78

Lease rentals of ₹14.64 Crores (Previous year : ₹16.30 Crores) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

4.03 EMPLOYEE BENEFIT PLANS

1. Defined contribution plans

The Company operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expenses recognised in the Statement of Profit and Loss is ₹ 16.26 Crores (Previous year : ₹ 15.29 Crores) represents contributions payable to these plans by the Company at rates specified in rules of the plans.

2. Defined Benefits Plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds.

These plans typically expose the Company to Actuarial risks such as : investment risk, interest rate risk, longevity risk and salary risk. No other post-retirement benefit are provided to the employees.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

3. Principal assumptions used for the purpose of actuarial valuation

Particulars	Valuation as at	
	March 31, 2018	March 31, 2017
Discount Rate	7.80%	7.50%
Expected Rate(s) of salary increase	5%	5%
Average longevity at retirement age for current beneficiaries of plans (years)	37 to 42	36 to 42
Average longevity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition Rate	10% - 14%	5% - 10%

4. (a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Service cost :				
Current service cost	2.34	1.51	5.42	4.53
Net interest expense	1.76	1.37	1.73	1.00
Actuarial (Gain) / Loss	5.70	7.83	0.39	—
Component of defined benefit costs recognised in Statement of profit and loss	9.80	10.71	7.54	5.53

**4.03 EMPLOYEE BENEFIT PLANS (Contd...)****4. (b) Amounts recognised in Other Comprehensive Income in respect of defined benefit plans**

Particulars	₹ Crores	
	March 31, 2018	March 31, 2017
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	(0.41)	(1.03)
Actuarial (gains) / losses arising from changes in demographic assumptions	1.50	2.52
Actuarial (gains) / losses arising from changes in financial assumptions	(0.75)	1.42
Actuarial (gains) / losses arising from experience adjustments	0.01	0.68
Components of defined benefits cost recognised in Other Comprehensive Income	0.35	3.59

5 (a) Movements in present value of defined benefit obligation

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Opening defined benefit obligations	26.68	23.06	40.96	34.51
Current service cost	2.34	1.51	5.42	4.53
Interest cost	1.76	1.37	2.90	2.19
Remeasurement (Gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	0.98	2.14	1.50	2.52
Actuarial (gains) / losses arising from changes in financial assumptions	(0.27)	0.89	(0.75)	1.42
Actuarial (gains) / losses arising from experience adjustments	4.99	4.80	0.01	0.68
Benefits paid	(6.39)	(7.09)	(4.47)	(4.89)
Closing defined benefit obligation	30.09	26.68	45.57	40.96

5 (b) Movements in present value in planned assets

Particulars	₹ Crores	
	March 31, 2018	March 31, 2017
Fair value of plan assets at beginning of year	32.49	30.47
Interest Income	2.47	2.15
Contributions	2.36	3.73
Return on plan assets	0.40	1.03
Benefits paid	(4.47)	(4.89)
Fair value of plan assets at end of year	33.25	32.49

4.03 EMPLOYEE BENEFIT PLANS (Contd...)

6. The category of plan assets as a percentage of total plan are as follows :

Particulars	Percentage	
	March 31, 2018	March 31, 2017
Equity Shares	18.89%	17.59%
Central and State Government Securities	54.64%	56.88%
Other Fixed Income Securities / Deposits	26.47%	25.53%
Total	100.00%	100.00%

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount Rate +100 basis points	29.85	25.48	43.45	38.48
Discount Rate - 100 basis points	20.05	28.03	47.91	43.76
Salary Increase Rate +1 %	32.05	27.92	47.73	43.58
Salary Increase Rate - 1 %	29.95	25.56	43.57	38.60
Attrition Rate +1%	31.08	26.89	45.87	41.35
Attrition Rate - 1%	30.82	26.44	45.25	40.54

4.04 (a) CONTINGENT LIABILITIES

- (i) Guarantees given by the Company's bankers and counter guaranteed by the Company : ₹ 44.94 Crores (Previous year : ₹ 31.34 Crores).
- (ii) Prepayment charges claimed by banks on amounts prepaid ₹ 2.92 Crores (Previous year : ₹ 2.92 Crores).
- (iii) Claims against the Company not acknowledged as debts on account of disputes:
 - (a) In respect of exemption of Central Sales Tax on coal purchases : ₹ 7.56 Crores (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.
 - (b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores).
 - (c) Tax on Rural and Road Development ₹ 11.92 Crores (Previous year : ₹ 10.45 Crores).
 - (d) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 167.07 Crores. (Previous year : ₹ 147.51 Crores).

(b) CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 47.54 Crores (Previous year : ₹ 50.94 Crores) and other commitments includes Outstanding Letters of Credit ₹ 22.99 Crores (Previous year : ₹ 41.90 Crores).

(c) FINANCIAL GUARANTEE

Corporate guarantees issued to the bankers : ₹ 249.25 Crores (Previous year : ₹ 227.25 Crores).

**4.04 (Contd...)****(d) Disclosure of provisions made as per the requirements of Ind AS 37 on “Provisions, Contingent Liabilities and Contingent Assets” are as follows :**

Particulars	₹ Crores			
	As at April 1, 2017	Provisions made during the year	Amounts utilised or reversed during the year	As at March 31, 2018
MPEB Cess on Generation of Electricity	8.33	—	—	8.33
MP Entry Tax / VAT	10.05	—	—	10.05
UP Entry Tax	3.86	—	3.86	—
VAT on Inter Unit Transfer	0.68	—	—	0.68
Appeal with AP Commercial Tax Department	0.67	—	—	0.67
Mines Restoration Expenses	2.56	1.01	—	3.57
Service Tax on Goods Transport Agency	13.09	1.41	—	14.50

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 0.23 Crores (Previous year : ₹ 0.23 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 37.57 Crores (Previous year : ₹ 39.01 Crores).

- (e)** In terms of long-term gas supply agreement (GSA) with GAIL (India) Limited (GAIL) having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquified Natural Gas (RLNG) specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause (TOP) of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price.

In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding two calendar years, GAIL has waived of TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2018, which would be due in December 2018, if it remains undrawn or not waived, is approximately ₹ 13.31 Crores.

In view of the decreasing trend of the Long Term RLNG prices when compared with Spot Gas prices and other imported gases available in the market and also expected increase in the capacity utilization due to favourable market conditions and allocation to another unit of the Company, the management is confident about utilization of underdrawn RLNG as above in balance part of the calendar year. The aforesaid amount, if payable, will only be in the nature of an advance payment for future purchase of RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and no consequential effect of the same is required to be given in these accounts.

4.05 Capital work-in-progress includes pre-operative expenses of ₹ 71.11 Crores (Previous year : ₹ 63.64 Crores), the details of which are as under :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	3.01	2.94
Contribution to Provident and other funds	0.10	0.10
Rent, Rates and Taxes	0.32	0.31
Travelling and Communication	0.35	0.29
Professional fees	0.11	0.24
Depreciation	1.82	0.21
Miscellaneous expenses	1.76	1.26
Total	7.47	5.35
Add : Expenditure upto previous year	63.64	58.29
Balance Carried forward	71.11	63.64
Cost relating to acquisition of assets and related direct expenses	21.43	30.87
Total Capital Work-in-progress	92.54	94.51

4.06 CAPITAL MANAGEMENT

Risk management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Company takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

Consistent with others in the industry, the Company monitors capital on the basis of the capital gearing ratio computed as under :

Net debt (total Borrowings net of Cash and Cash equivalents) divided by Total Equity (as shown in the Balance Sheet).

The Company's strategy is to maintain a capital gearing ratio within 2 times. The comparative capital gearing ratios are tabulated as hereunder :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Net Debt	1484.91	1570.21
Total Equity	1025.83	955.65
Net Debt to Equity Ratio	1.45	1.64

The Company has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying document.



4.07 FINANCIAL INSTRUMENTS

(i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

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

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

Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : inputs which are not based on observable market data.

Particulars			₹ Crores	
	As at March 31, 2018		As at March 31, 2017	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Trade receivables	662.12	662.12	605.47	605.47
Loans	54.71	54.71	54.96	54.96
Cash and Bank balances	59.81	59.81	67.82	67.82
Other financial assets	77.65	77.65	98.77	98.77
Measured at FVTPL :				
Derivative Instruments	#	#	0.31	0.31
Measured at FVTOCI :				
Investment in other companies	21.00	21.00	21.00	21.00
Total Financial assets	875.29	875.29	848.33	848.33

4.07 FINANCIAL INSTRUMENTS (Contd...)

Particulars	₹ Crores			
	As at March 31, 2018		As at March 31, 2017	
	Carrying values	Fair value	Carrying values	Fair value
Financial liabilities				
Measured at amortised cost :				
Borrowing	1,544.42	1,544.42	1,636.91	1,636.91
Trade payables	735.14	735.14	745.36	745.36
Other financial liabilities	513.74	513.74	491.81	491.81
Measured at FVTPL :				
Derivative Instruments	—	—	—	—
Total Financial liabilities	2,793.30	2,793.30	2,874.08	2,874.08

(iii) Level wise disclosure of financial instruments

Particulars	₹ Crores			
	As at March 31, 2018	As at March 31, 2017	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	21.00	21.00	3	Fair value
Foreign currency forward contracts - Assets	#	0.31	2	Quotes from banks or dealers

Amount less than ₹ 50,000/-

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements.

Investment in equity instruments of other companies		₹ Crores
	Amount	
Balance as on April 1, 2017	21.00	
Add : Acquisition of investments	—	
Balance as on March 31, 2018	21.00	

(iv) Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. The details of different types of risk and management policy to address these risks are listed below :

The Company's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management.



4.07 FINANCIAL INSTRUMENTS (Contd...)

a. Credit Risk :

Credit risk arises from the possibility that counter party will cause financial loss to the Company by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Each division of the Company has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors. The Company uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables :

Table showing age of gross trade receivables and movement in expected credit loss allowance :

	₹ Crores	
Age of receivables	As at March 31, 2018	As at March 31, 2017
Within the credit period	209.63	332.28
1-90 days past due	352.72	207.23
91-180 days past due	57.33	40.02
181-270 days past due	24.92	20.86
More than 270 days past due	124.99	94.72
Total	769.59	695.11

	₹ Crores	
Movement in the expected credit loss allowance	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	89.64	71.14
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	17.83	18.50
Total	107.47	89.64

b. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

4.07 FINANCIAL INSTRUMENTS (Contd...)

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

				₹ Crores
As at March 31, 2018	< 1 year	1-5 year	> 5 year	Total
Non-current borrowings	284.87	905.65	—	1,190.52
Current borrowings	312.38	—	—	312.38
Finance lease obligation	8.62	20.06	—	28.68
Fixed Deposits payable	8.31	4.53	—	12.84
Financial Guarantee Obligation	83.25	166.00	—	249.25
Trade Payables	735.14	—	—	735.14
Other Financial Liabilities	295.74	1.22	216.78	513.74

				₹ Crores
As at March 31, 2017	< 1 year	1-5 year	> 5 year	Total
Non-Current borrowings	315.68	995.87	—	1,311.55
Current borrowings	290.25	—	—	290.25
Finance lease obligation	3.95	9.76	—	13.71
Fixed Deposits payable	15.48	5.92	—	21.40
Financial Guarantee Obligation	61.25	166.00	—	227.25
Trade Payables	745.36	—	—	745.36
Other Financial Liabilities	283.66	1.80	206.35	491.81

Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financiers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at any point of time there is sufficient availability of line of credit to handle peak business cycle.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

c. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk.

(i) Market Risk – Foreign Exchange

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex Consultant and as per policies set by Management.

The Company is also exposed to the foreign currency loans availed from various banks to reduce the overall interest cost.

**4.07 FINANCIAL INSTRUMENTS (Contd...)**

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows :

Currencies	Liabilities		Assets	
	As at	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
US Dollar (USD)	1.66	0.91	0.09	0.07
EURO	0.12	0.18	0.01	#
British Pound (GBP)	—	—	—	0.06
Japanese Yen (JPY)	0.06	0.04	—	—
Srilankan Rupee (LKR)	0.20	0.80	9.00	12.97
Swiss Francs (CHF)	#	—	—	—
Danish Krone (DKK)	#	—	—	—

Foreign Currency Exposure

Foreign currency exposure as at March 31, 2018	In Crores					
	USD	EURO	JPY	DKK	LKR	CHF
Trade receivables	0.09	0.01	—	—	9.00	—
Loans and other receivables	—	—	—	—	—	—
Borrowings	1.60	#	—	—	—	—
Trade payables	0.06	0.12	0.06	#	0.20	#
Forward contracts for receivable	#	—	—	—	—	—

Foreign currency exposure as at March 31, 2017	In Crores					
	USD	EURO	JPY	GBP	LKR	
Trade receivables	0.05	—	—	0.06	12.97	
Loans and other receivables	0.02	#	—	—	—	
Borrowings	0.86	0.08	—	—	—	
Trade payables	0.05	0.10	0.04	—	0.80	
Forward contracts for receivable	—	—	—	0.06	—	

Amount less than 50,000/-

4.07 FINANCIAL INSTRUMENTS (Contd...)

Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

Currency	Nature	In Crores			
		As at March 31, 2018		As at March 31, 2017	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.89	#	0.14
LKR	Asset	9.00	3.77	12.97	5.53
USD	Asset	0.09	5.64	0.07	4.25
CHF	Liability	#	0.01	—	—
EURO	Liability	0.12	9.68	0.18	12.45
LKR	Liability	0.20	0.08	0.80	0.34
USD	Liability	1.66	108.01	0.91	59.00
DKK	Liability	#	0.01	—	—
JPY	Liability	0.06	0.04	0.04	0.02

Amount less than 50,000/-

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity.

Currencies	₹ Crores			
	Impact on Profit after Tax and Equity			
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	1% increase	1% increase	1% decrease	1% decrease
USD	(1.02)	(0.55)	1.02	0.55
EURO	(0.09)	(0.12)	0.09	0.12
GBP	—	0.05	—	(0.05)
LKR	0.04	0.05	(0.04)	(0.05)
Total	(1.07)	(0.57)	1.07	0.57

(ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Particulars	₹ Crores	
	March 31, 2018	March 31, 2017
Variable rate borrowings	808.75	526.78
Fixed rate borrowings	735.67	1,110.13

**4.07 FINANCIAL INSTRUMENTS (Contd...)****Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

Particulars	₹ Crores	
	Impact on Profit / Loss and Equity	
	March 31, 2018	March 31, 2017
Interest rates - increase by 100 basis points *	(8.09)	(5.27)
Interest rates - decrease by 100 basis points *	8.09	5.27

* Assuming all other variables as constant.

4.08 RELATED PARTY DISCLOSURES**Relationships**

Particulars	Ownership Interest	
	As at March 31, 2018	As at March 31, 2017
Subsidiaries		
Raheja QBE General Insurance Company Limited	51%	51%
H. & R. Johnson (India) TBK Limited	100%	100%
Silica Ceramica Private Limited	99.90%	99.82%
Milano Bathroom Fittings Private Limited	100%	100%
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	100%
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	100%
RMC Readymix Porselano (India) Limited	100%	100%
Sentini Cermica Private Limited	50%	50%
Antique Marbonite Private Limited	50%	50%
Spectrum Johnson Tiles Private Limited	50%	50%
Small Johnson Floor Tiles Private Limited	50%	50%
Coral Gold Tiles Private Limited	50%	50%
Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	25.50%	25.50%
Sanskar Ceramics Private Limited (Subsidiary of Small Johnson Floor Tiles Private Limited) (w.e.f. 29.09.2016)	25%	25%
TBK Samiyaz Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited) (w.e.f. 23.09.2017)	69.88%	—
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%

4.08 RELATED PARTY DISCLOSURES (Contd...)

Particulars	Ownership Interest	
	As at March 31, 2018	As at March 31, 2017
Joint Venture of Subsidiary		
TBK Shri Ram Tile Bath Kitchen Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Deziner's Home Private Limited	50%	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited	50%	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Bansal Ceramics Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited	50%	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Tile Home Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Samiyaz Tile Bath Kitchen Private Limited (Joint Venture upto 22.09.2017)	—	50%
TBK Krishna Tile Bath Kitchen Private Limited	50%	50%
TBK Reddy Tile Bath Kitchen Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Kadakia's Tile Bath Kitchen Private Limited	50%	50%
TBK Rishi Ceramics Private Limited	50%	50%
TBK Aishwarya Tile Bath Kitchen Private Limited	50%	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited	50%	50%
TBK Shree Ganesh Traders Private Limited	50%	50%
TBK Vaibhavi Tile Bath Kitchen Private Limited	50%	50%
TBK Home Trends Private Limited	50%	50%
TBK Solan Ceramics Private Limited	50%	50%
Associate		
Prism Power and Infrastructure Private Limited	49%	49%

Companies in which Directors and / or their relatives have significant influence

Peninsula Estates Private Limited
Varahagiri Investments & Finance Private Limited
Windsor Realty Private Limited
Countrywide Exports Private Limited

Key Management Personnel (KMP)

Executive Directors

Mr. Vijay Aggarwal, Managing Director
Mr. Vivek K. Agnihotri, Executive Director & CEO (Cement)
Mr. Joydeep Mukherjee, Executive Director & CEO (HRJ)
Mr. Atul R. Desai, Executive Director & CEO (RMC) [w.e.f. August 29, 2016]
Mr. Venugopal M. Panicker, Executive Director & CEO (RMC) [upto August 24, 2016]

**4.08 RELATED PARTY DISCLOSURES (Contd...)****Non-executive Directors****Non-Independent**

Mr. Rajan B. Raheja, Director

Independent

Mr. Shobhan M. Thakore, Chairman

Mr. Rajesh G. Kapadia, Chairman [upto July 15, 2016]

Ms. Ameeta A. Parpia, Director

Dr. Raveendra Chittoor, Director [w.e.f. July 3, 2017]

Mr. J. A. Brooks, Director [upto November 7, 2017]

Name	Relationship	Nature of transaction	Amount of transaction in FY 2017-18	Amount outstanding as on March 31, 2018 (Payable)/ Receivable	₹ Crores	
					Amount of transaction in FY2016-17	Amount outstanding as on March 31, 2017 (Payable)/ Receivable
Peninsula Estates Private Limited	Companies in which Directors and / or their relatives have significant influence	Rent paid Deposit given	0.12 —	— 0.03	0.12 —	— 0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and / or their relatives have significant influence	Rent paid Deposit given	0.46 —	— 0.11	0.46 —	— 0.11
Payable to KMPs on account of Managerial Remuneration		Remuneration	Refer table below (*)	(1.20)	—	(0.59)
Receivable from a KMPs on account of excess remuneration paid		Remuneration	—	—	—	1.41
Mr. Atul R. Desai	Executive Director & CEO (RMC)	Deposit given Rent paid	— 0.13	0.06 —	0.06 —	0.06 —
H. & R. Johnson (India) TBK Limited	Subsidiary	Sales Reimbursement of services paid ICD given/ repaid	27.39 0.07 0.90	3.19 — 4.00	21.42 0.05 0.75	2.88 — 3.10
Silica Ceramica Private Limited	Subsidiary	Purchase and services Interest received Reimbursement of services received	159.65 1.74 2.05	(27.87) — —	173.31 4.11 0.70	(4.67) — —
Milano Bathroom Fittings Private Limited	Subsidiary	Investment made Interest paid Dividend received Reimbursement of services received	35.00 0.02 0.04 0.45	— — — —	35.00 0.31 0.04 0.37	— — — —
Antique Marbonite Private Limited	Subsidiary	Purchase and services Buy back of shares	253.85 —	(54.61) —	278.37 4.96	(60.47) —
Sanskar Ceramic Private Limited	Subsidiary	Purchase and services	100.95	(27.86)	22.00	(9.32)
Small Johnson Floor Tiles Private Limited	Subsidiary	Interest received	1.07	—	0.35	—
Sentini Cermica Private Limited	Subsidiary	Buy back of shares Purchase and services	6.90 118.28	— (18.07)	— 126.07	— (18.92)

4.08 RELATED PARTY DISCLOSURES (Contd...)

Name	Relationship	Nature of transaction	Amount of transaction in FY 2017-18	Amount outstanding as on March 31, 2018 (Payable)/ Receivable	₹ Crores	
					Amount of transaction in FY2016-17	Amount outstanding as on March 31, 2017 (Payable)/ Receivable
Spectrum Johnson Tiles Private Limited	Subsidiary	Reimbursement of services paid	0.07	—	0.04	—
		Rent paid	0.03	—	0.03	—
TBK Florance Ceramics Private Limited	Joint Venture	Selling and distribution expenses	1.14	—	1.76	—
		Reimbursement of services paid	0.06	—	0.06	—
TBK Rangoli Tile Bath Kitchen Private Limited	Subsidiary	Reimbursement of services received	0.70	—	0.61	—
TBK Shriram Tile Bath Kitchen Private Limited	Joint Venture	Selling and distribution expenses	0.80	—	0.35	—
TBK Samiyaz Tile Bath Kitchen Private Limited	Subsidiary	Deposit received	—	(0.01)	—	(0.01)
TBK Sanitary Sales Private Limited	Joint Venture	Selling and distribution expenses	1.01	—	0.99	—
		Reimbursement of services paid	0.06	—	0.05	—
TBK Shri Ganesh Traders Private Limited	Joint Venture	Reimbursement of services paid	0.09	—	0.09	—
Raheja QBE General Insurance Company Limited	Subsidiary	Insurance premium	0.42	0.09	0.29	—
		Rent received	0.04	—	0.03	—
		Security deposit received	0.01	(0.03)	—	(0.04)
Others		Interest received /waived-off	0.66	—	0.78	—
		Interest paid	#	—	2.05	—
		Purchase and services	257.93	(45.18)	249.71	(58.63)
		Sales	117.63	20.40	118.34	16.30
		Selling and distribution expenses	4.01	—	6.29	—
		Reimbursement of services received	1.35	—	1.05	—
		Reimbursement of services paid	0.15	—	0.25	—
		Rent paid	#	—	#	—
		Dividend received	#	—	#	—

Amount less than ₹ 50,000/-

Note : In addition to the above, the Company has extended aggregate loan of ₹ 46.15 Crores (Previous year : ₹ 45.25 Crores) to H. & R. Johnson (India) TBK Limited, out of which loan of ₹ 42.15 Crores (Previous year : ₹ 42.15 Crores) is interest free. The Company had invested in 0.01% Non-cumulative Optionally Convertible Preference Shares issued by Small Johnson Floor Tiles Private Limited aggregating to ₹ 4.00 Crores (Previous year : 4.00 Crores) and 1% Non-cumulative Redeemable Preference Shares issued by Milano Bathroom Fittings Private Limited aggregating to 3.88 Crores (Previous year : ₹ 3.88 Crores). The Company has also given financial guarantee to commercial banks for ₹ 249.25 Crores (Previous year : ₹ 227.25 Crores) who have extended loans to Silica Ceramica Private Limited.

**4.08 RELATED PARTY DISCLOSURES (Contd...)****Compensation to key management personnel (*)**

Particulars	₹ Crores	
	Amount of transaction in FY 2017-18	Amount of transaction in FY 2016-17
Short-term employee benefits	17.17	10.69
Post-employment benefits	—	—
Other long-term benefits	—	—
Sitting Fees	0.23	0.19
Total Compensation to key management personnel	17.40	10.88

Note : As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

4.09 SEGMENT INFORMATION

In accordance with Ind AS 108 on "Operating segments" information has been given in the Consolidated Financial Statement of the Company and therefore no separate disclosure on segment information is given in the Standalone Financial Statements.

4.10 GOVERNMENT GRANTS BY WAY OF TAX SUBSIDY / EXEMPTION SCHEMES :

- As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna is entitled for subsidy at the rate of 75% of VAT / CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, the Company has recognised subsidy under the scheme as a percentage of State Goods and Services Tax. Government of Madhya Pradesh is yet to notify extension of support under the GST regime. Subsidy recognised in the Statement of Profit and Loss receivable for the year is ₹ 35.46 Crores (Previous year : ₹ 63.53 Crores).
- As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT / CST paid on sales above the normal production capacity achieved. Subsidy recognised in the Statement of Profit and Loss receivable for the year is ₹ 0.03 Crores (Previous year : ₹ 0.15 Crores). The Company has not recognised any subsidy under the GST regime.
- As per Assam Industries (Tax Exemption) Scheme 2009, RMC Unit at Guwahati is entitled to Sales Tax Exemption subject to prescribed limit, at the rate of 99% of tax payable. Amount recognised for the year is ₹ 0.12 Crores (Previous year: ₹ 0.98 Crores). The Company has not recognised any subsidy under the GST regime.
- The Company started commercial production of ready mixed plant in Guwahati, Assam on August 6, 2012 and is entitled for 34% of the excise duty paid on finished goods, since that date. During the current financial year, the Company received refund of ₹ 0.35 Crores (Previous year: ₹ 0.10 Crores). The Company has not recognised any subsidy under the GST regime.

4.11 Details of Loans given, security provided and investment made during the year 2017–18 as per section 186 (4) of the Companies Act, 2013

Nature of transaction	Name of the recipient	Amount of loan / security / acquisition / guarantee		Interest Rate	Purpose of loan / security / acquisition / guarantee	Period
		2017-18	2016-17			
Security acquisition	Silica Ceramica Private Limited (unlisted) – Narayanpuram	35.00	35.00	–	Investment in Equity shares	–
Loans	H. & R. Johnson (India) TBK Limited (unlisted) Mumbai	0.90	0.75	9%	For working capital and business expansion	Repayment based on mutual consent
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) – Narayanpuram	22.00	–	–	Given to Yes Bank Limited	For the period of loan
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) – Narayanpuram	–	91.00	–	Given to Axis Trustees Services Limited	For the period of loan
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) – Narayanpuram	–	100.00	–	Given to ICICI Bank Limited	For the period of loan
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) – Narayanpuram	–	36.25	–	Given to Axis Bank Limited	For the period of loan
Security acquisition	B L A Power Private Limited (unlisted) – Mumbai	–	21.00	–	Investment in Equity shares	–

4.12 Disclosure under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of Subsidiary	Amount outstanding		Maximum Balance outstanding during the year	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
H. & R. Johnson (India) TBK Limited	46.15	45.25	46.15	45.25



4.13 CORPORATE SOCIAL RESPONSIBILITY (CSR)

In view of the average net profits of the three immediately preceding financial years being in the negative, the Company was not required to spend on CSR activities for the FY 2017-18.

4.14 PAYMENT TO STATUTORY AUDITORS

Particulars	₹ Crores	
	2017-18	2016-17
For Statutory Audit	0.72	0.72
For Tax Audit	0.09	0.08
For Company law matters and Taxation Services	0.26	0.49
For Certification	0.12	0.40
For Reimbursement of Expenses	0.02	0.02
Total	1.21	1.71

4.15 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores only for the said Coal Block, as against the expenses of ₹ 6.35 Crores and book value of various assets amounting to ₹ 41.23 Crores incurred by the Company.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The balance amount appears under the head Other Financial Assets (note no. 2.05) and Freehold Land (note no. 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively.

The Company had *inter alia* disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As directed by the said High Court, subsequent to the date of the Balance Sheet, the Company has filed a claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

Pending final disposal of the matter, the Company has not recognized excess of compensation over the book value as income as well as loss that may have to be incurred in the event compensation is denied. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order.

4.16 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by the insurance company. The Company had recognised a sum of ₹ 58.94 Crores as receivable. The Company has initiated arbitration proceedings with the party responsible for the construction of blending silo for recovery of damages and is in the process of initiating legal action against the insurance company. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of recovery of the amount recognised as recoverable and accordingly, the Company has continued to recognise the same.

4.17 In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the year ended March 31, 2017 and for the period April 1, 2017 to June 30, 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT). Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 1, 2017, VAT / Central Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly, the same is not recognised as part of sales in terms of Ind AS 18. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in structure of indirect taxes, expenses are also being reported net of taxes. Accordingly, figures for the year ended and as on March 31, 2018 such as sales, expenses, elements of working capital (Inventories, other current assets / current liabilities) and ratios in percentage of sales, are not comparable with the figures of the previous year.

4.18 On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition :

- Retrospective approach-Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

4.19 In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these assets so as to realise receivables is in progress. The reportable segment in which the Non Current Asset held for sale is presented in RMC in accordance with Ind AS 108.

4.20 According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2018 as follows :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
a) Principal amount due	0.25	0.06
b) Interest due on above	—	—
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	—	—
d) Amount of interest due and payable for the period of delay	—	—
e) Amount of interest accrued and remaining unpaid as at year end	—	—
f) Amount of further remaining due and payable in the succeeding year	—	—

4.21 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

As per our report of even date

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)
Vijay Aggarwal
(Managing Director)
Joydeep Mukherjee
(Executive Director & CEO - HRJ)
Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)
Vivek K. Agnihotri
(Executive Director & CEO - Cement)
Atul R. Desai
(Executive Director & CEO - RMC)
Aneeta S. Kulkarni
(Company Secretary)



Independent Auditors' Report

To the Members of Prism Johnson Limited (Formerly Prism Cement Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Prism Johnson Limited** (Formerly Prism Cement Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), joint venture and associate comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint venture and associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards ("Ind AS") specified under section 133 of the Act, read with rules made thereunder and the relevant provisions of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture and associate are responsible for 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and

other applicable pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 accounting policies used and the reasonableness of the accounting estimates made by the holding company's board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors of the subsidiaries, joint venture and associate, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and associate as at March 31, 2018, and their consolidated profit (including other comprehensive income), their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit financial statements of seven subsidiaries and consolidated financial statements of three subsidiaries whose financial statements / consolidated financial statements reflect total assets of ₹ 1,498.64 Crores as at March 31, 2018, total revenues of ₹ 937.07 Crores and net cash flows amounting to ₹ 1.19 Crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. The consolidated financial statements also include Group's share of net profit of ₹ 2.65 Crores for the year ended March 31, 2018, as considered in the preparation of consolidated financial statements, in respect of the joint venture (including its subsidiary) and the associate, whose financial statements / consolidated financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and

our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate (including their step-down entities), and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associate (including their step-down entities), is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on consideration of reports of the other auditors of subsidiaries, joint venture and associate, as noted in the other matter 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 financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows 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 financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with rules made thereunder and the relevant provisions of the Act;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, joint venture and associate incorporated in India, none of the directors of the Group companies, its joint venture and associate incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associate incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors of subsidiaries, joint venture and associate, as noted in the other matter paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture and associate. Refer Note 4.04 and 4.12 to the consolidated financial statements;
- ii. Provision has been made in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the said Fund by the subsidiaries, joint venture and associate incorporated in India.

For **G. M. KAPADIA & CO.**

Chartered Accountants
Firm's Registration No: 104767W

ATUL SHAH

Partner

Mumbai
Dated: May 29, 2018

Membership No: 039569

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of the Company on the consolidated financial statements for the year ended March 31, 2018)

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statements of **Prism Johnson Limited** (Formerly Prism Cement Limited) (hereinafter referred to as 'the Holding Company') and its subsidiaries, joint venture and associate, 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 subsidiaries, joint venture and associate, which are companies



incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiaries, its joint venture and associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to standalone financial statements of six subsidiaries and consolidated financial statements of four subsidiaries, its joint venture and its subsidiary and its associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **G. M. KAPADIA & CO.**
Chartered Accountants
Firm's Registration No: 104767W

ATUL SHAH
Partner

Mumbai
Dated: May 29, 2018

Membership No: 039569

Consolidated Balance Sheet as at March 31, 2018

			₹ Crores
Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	2,559.44	2,372.40
Capital work-in-progress	4.05	99.71	136.19
Goodwill	2.02	25.45	25.42
Other intangible assets	2.03	16.62	17.65
Investments in Joint Ventures and Associate	2.04	45.35	40.74
Financial assets			
Investments	2.05	332.04	245.04
Loans	2.06	74.74	74.43
Other financial assets	2.07	68.49	82.38
Deferred tax assets (net)	2.08	69.36	76.45
Other non-current assets	2.09	180.82	224.45
Total Non-current Assets		3,472.02	3,295.15
Current Assets			
Inventories	2.10	616.82	562.20
Financial assets			
Investments	2.05	33.20	52.91
Trade receivables	2.11	667.88	626.38
Cash and cash equivalents	2.12	63.18	62.75
Bank balances other than Cash and cash equivalents	2.13	14.24	19.92
Loans	2.06	4.11	5.49
Other financial assets	2.07	48.23	60.73
Current tax assets (net)	2.14	59.01	29.17
Non-current assets classified as held for sale	4.17	1.23	—
Other current assets	2.09	186.92	179.40
Total Current Assets		1,694.82	1,598.95
TOTAL ASSETS		5,166.84	4,894.10
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.15	503.36	503.36
Other equity	2.16	534.50	491.57
Non-controlling interests		272.67	269.42
Total Equity		1,310.53	1,264.35
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.17	1,151.98	1,190.03
Other financial liabilities	2.19	279.00	259.49
Provisions	2.20	27.09	24.72
Deferred tax liabilities (net)	2.21	25.13	25.49
Other non current liabilities	2.22	44.84	32.53
Total Non-current Liabilities		1,528.04	1,532.26
Current Liabilities			
Financial liabilities			
Borrowings	2.17	523.61	451.67
Trade payables	2.18	684.24	715.54
Other financial liabilities	2.19	757.24	664.87
Other current liabilities	2.22	276.73	215.17
Provisions	2.20	44.25	36.66
Current tax liabilities (net)	2.23	42.20	13.58
Total Current Liabilities		2,328.27	2,097.49
TOTAL EQUITY AND LIABILITIES		5,166.84	4,894.10
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)
Vijay Aggarwal
(Managing Director)
Joydeep Mukherjee
(Executive Director & CEO - HRJ)
Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)
Vivek K. Agnihotri
(Executive Director & CEO - Cement)
Atul R. Desai
(Executive Director & CEO - RMC)
Aneeta S. Kulkarni
(Company Secretary)



Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

₹ Crores

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
INCOME			
Revenue From Operations	3.01	5,641.37	5,563.18
Other Income	3.02	66.62	91.97
Total Income		5,707.99	5,655.15
EXPENSES			
Cost of materials consumed		1,641.17	1,507.91
Purchase of stock-in-trade		376.36	332.02
Changes in inventories	3.03	36.25	16.98
Power and fuel expenses		950.48	841.00
Freight outward expenses		670.93	652.95
Excise duty		134.46	550.72
Other manufacturing expenses	3.04	373.01	361.48
Employee benefits expense	3.05	512.72	472.19
Finance costs	3.06	227.03	216.57
Depreciation and amortization expense	3.07	184.36	191.84
Other expenses	3.08	503.76	471.26
Total Expenses		5,610.53	5,614.92
Profit before share of profit of Joint Ventures and Exceptional items		97.46	40.23
Share of profit of Joint Ventures		3.20	1.49
Profit before Exceptional items and Tax		100.66	41.72
Exceptional items		—	—
Profit before tax		100.66	41.72
Tax expenses	3.09		
Current tax		37.39	29.88
Deferred tax		8.27	(2.41)
Total tax expenses		45.66	27.47
Profit for the year		55.00	14.25
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(0.64)	(3.19)
Share of Other Comprehensive Income in Joint Ventures, to the extent not to be reclassified to profit or loss		0.05	0.03
Income tax relating to items that will not be reclassified to profit or loss	3.09	0.23	1.26
Total (A)		(0.36)	(1.90)
Items that will be reclassified to profit or loss			
Net gain/(loss) arising on financial assets measured at FVTOCI		(4.08)	4.10
Income tax relating to items that will be reclassified to profit or loss	3.09	1.35	(1.36)
Total (B)		(2.73)	2.74
Total Other Comprehensive Income / (Loss) (A + B)		(3.09)	0.84
Total Comprehensive Income for the year		51.91	15.09
Profit / (Loss) for the year attributable to:			
Owners of the Parent		42.50	(1.80)
Non-controlling interests		12.50	16.05
		55.00	14.25
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Parent		(1.70)	(0.78)
Non-controlling interests		(1.39)	1.62
		(3.09)	0.84
Total Comprehensive Income (Loss) for the year attributable to:			
Owners of the Parent		40.80	(2.58)
Non-controlling interests		11.11	17.67
		51.91	15.09
Earnings per share (Face value of ₹10/- each) (Refer note 4.01):			
Basic (in ₹)		0.84	- 0.04
Diluted (in ₹)		0.84	- 0.04
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No. 104767W

Atul Shah

Partner

Membership No. 039569

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore

(Chairman)

Vijay Aggarwal

(Managing Director)

Joydeep Mukherjee

(Executive Director & CEO - HRJ)

Manish Bhatia

(Chief Financial Officer)

Ameeta A. Parpia

(Director)

Vivek K. Agnihotri

(Executive Director & CEO - Cement)

Atul R. Desai

(Executive Director & CEO - RMC)

Aneeta S. Kulkarni

(Company Secretary)

Consolidated Statement of changes in Equity

for the year ended March 31, 2018

₹ Crores

A. EQUITY SHARE CAPITAL							Note No.	Amount
Balance as at April 1, 2016							2.15	503.36
Changes in equity share capital during the year								—
Balance as at March 31, 2017							2.15	503.36
Changes in equity share capital during the year								—
Balance as at March 31, 2018							2.15	503.36

B. OTHER EQUITY	Reserves and Surplus (refer note 2.16)					Net Gain arising of financial assets measured as at FVTOCI	Amount attributable to Owners of the parent	Non-controlling interests	Total
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings				
Balance as at April 1, 2016	11.43	85.09	193.24	(0.90)	205.90	0.06	494.82	248.88	743.70
Profit for the year	—	—	—	—	(1.80)	—	(1.80)	16.05	14.25
Items of Other Comprehensive Income:									
Remeasurements of the defined benefit plans	—	—	—	—	(2.23)	—	(2.23)	0.28	(1.95)
Share in Joint Ventures and Associate	—	—	—	—	0.05	—	0.05	—	0.05
Net Gain arising of financial assets measured at FVTOCI	—	—	—	—	—	1.40	1.40	1.34	2.74
Total Comprehensive Income for the year	11.43	85.09	193.24	(0.90)	201.92	1.46	492.24	266.55	758.79
Non-controlling interests arising on the acquisition of a Subsidiary	—	—	—	—	—	—	—	7.75	7.75
Reduction of non-controlling interests due to buy back of shares of a Subsidiary	—	—	—	—	—	—	—	(3.96)	(3.96)
Capital reserve due to business combination within the group	—	—	—	(0.04)	—	—	(0.04)	—	(0.04)
Transferred from Retained Earnings	—	36.34	—	—	—	—	36.34	—	36.34
Transferred to Debenture Redemption Reserve	—	—	—	—	(36.34)	—	(36.34)	—	(36.34)
Others	—	—	—	0.29	(0.92)	—	(0.63)	(0.92)	(1.55)
Balance as at March 31, 2017	11.43	121.43	193.24	(0.65)	164.66	1.46	491.57	269.42	760.99



Consolidated Statement of changes in Equity

for the year ended March 31, 2018 (Contd...)

₹ Crores

B. OTHER EQUITY	Reserves and Surplus (refer note 2.16)				Amount attributable to Owners of the parent	Non-controlling interests	Total
	Capital Redemption Reserve	Debt Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	Net Gain arising of financial assets measured as at FVTOCI	
Balance as at April 1, 2017	11.43	121.43	193.24	(0.65)	164.66	1.46	760.99
Profit for the year	—	—	—	—	42.50	—	55.00
Items of Other Comprehensive Income:							
Remeasurements of the defined benefit plans	—	—	—	—	(0.34)	—	(0.39)
Share in Joint Ventures and Associate	—	—	—	—	0.03	—	0.03
Net Gain arising of financial assets measured at FVTOCI	—	—	—	—	—	(1.39)	(2.73)
Total Comprehensive Income for the year	11.43	121.43	193.24	(0.65)	206.85	0.07	812.90
Non-controlling interests arising on the acquisition of a Subsidiary	—	—	—	—	—	—	0.29
Reduction of non-controlling interests due to buy back of shares of a Subsidiary	—	—	—	—	—	—	(8.15)
Capital reserve due to business combination within the group	—	—	—	(0.20)	—	—	(0.20)
Transferred from General Reserve	0.60	—	—	—	—	—	0.60
Transferred to Capital Redemption Reserve	—	—	(0.60)	—	—	—	(0.60)
Transferred to Retained Earnings	—	(12.20)	—	—	—	—	(12.20)
Transferred from Debt Redemption Reserve	—	—	—	—	12.20	—	12.20
Others	—	—	—	—	2.33	—	2.33
Balance as at March 31, 2018	12.03	109.23	192.64	(0.85)	221.38	0.07	807.17

Significant Accounting Policies Note-1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G. M. Kapadia & Co.**

Chartered Accountants

Firm Registration No. 104767W

Atul Shah

Partner

Membership No. 039569

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore

(Chairman)

Vijay Aggarwal

(Managing Director)

Joydeep Mukherjee

(Executive Director & CEO - HRJ)

Manish Bhatia

(Chief Financial Officer)

Ameeta A. Parpia

(Director)

Vivek K. Agnihotri

(Executive Director & CEO - Cement)

Atul R. Desai

(Executive Director & CEO - RMC)

Aneeta S. Kulkarni

(Company Secretary)

Consolidated Cash Flow Statement for the year ended March 31, 2018

₹ Crores

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	100.66	41.72
Non-cash Adjustment to Profit Before Tax :		
Depreciation and amortization expense	184.36	191.84
Share of (Profit) / Loss of Joint Ventures and Associate	(3.20)	(1.49)
Impairment on trade receivables	18.18	25.02
Impairment on financial assets	2.98	0.61
Impairment on non-current assets	0.15	0.32
Amortisation of processing fees	7.21	7.32
Bad debts written off	5.40	3.45
Unwinding of interest and discounts	(0.49)	(0.04)
(Gain) / Loss on disposal of Property, plant and equipment	2.30	(2.11)
Gain on disposal of investments	(0.61)	(0.79)
Dividend and interest income	(7.60)	(7.75)
Finance costs	219.77	209.21
Exchange differences (net)	0.73	(3.20)
Other non-cash Items	(4.85)	(3.18)
Operating profit before change in operating assets and liabilities	524.99	460.93
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(65.62)	(44.08)
Decrease/(increase) in inventories	(54.62)	82.37
Increase/(decrease) in trade payables	(26.92)	15.51
Decrease/(increase) in other financial assets	23.82	108.65
Decrease/(increase) in loans	(0.06)	(1.89)
Decrease/(increase) in other non-current and current assets	43.68	(9.17)
Increase/(decrease) in provisions	9.77	(22.58)
Increase/(decrease) in other current and non-current financial liabilities	19.58	40.48
Increase/(decrease) in other current and non-current liabilities	149.85	64.86
Cash generated from operations	624.47	695.08
Direct taxes paid (net of refunds)	37.85	19.47
Net cash flow from operating activities (A)	586.62	675.61



Consolidated Cash Flow Statement for the year ended March 31, 2018 (Contd...)

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of Property, plant and equipment	(341.64)	(195.90)
Payments for purchase of investments	(230.85)	(201.90)
Proceeds from sale of investments	147.60	145.43
Proceeds from disposal of property, plant and equipment	7.13	8.56
Interest received	11.21	7.67
Net cash flow used in investing activities (B)	(406.55)	(236.14)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	588.65	309.01
Repayment of borrowings	(550.87)	(545.78)
Interest paid	(217.42)	(223.79)
Net cash flow used in financing activities (C)	(179.64)	(460.56)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	0.43	(21.09)
Cash and cash equivalents at the beginning of the year	62.75	83.84
Cash and cash equivalents at the end of the year	63.18	62.75
Cash and cash equivalents comprises of :		
Balances with bank	58.74	57.06
Cheques/drafts on hand	3.23	3.96
Cash on hand	1.21	1.73
Total	63.18	62.75

Notes :

- The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
- Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)
Vijay Aggarwal
(Managing Director)
Joydeep Mukherjee
(Executive Director & CEO - HRJ)
Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)
Vivek K. Agnihotri
(Executive Director & CEO - Cement)
Atul R. Desai
(Executive Director & CEO - RMC)
Aneeta S. Kulkarni
(Company Secretary)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

1. Significant Accounting Policies

The consolidated financial statements comprise financial statements of Prism Johnson Limited (Formerly Prism Cement Limited) (the “Company”), its subsidiaries (collectively the “Group”) for the year ended March 31, 2018. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India.

The Group is principally operates in four business segments: Cement; Tile and Bath (HRJ), Ready Mixed Concrete (RMC) and Insurance. Information on other related party relationships of the Group is provided in Note 4.08.

Authorisation of financial statements : The financial statements were authorised for issue in accordance with a resolution of the board of directors dated May 29, 2018.

1.1 Basis of Preparation

a) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

b) Historical cost convention

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

- certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- defined benefit plans-plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if :

- it is expected to be realised or intended to be sold or consumed in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if :

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its normal operating cycle.

1.4 Use of judgements, estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below:

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries :

- a) Antique Marbonite Private Limited
- b) Small Johnson Floor Tiles Private Limited
- c) Spectrum Johnson Tiles Private Limited
- d) Sentini Cermica Private Limited
- e) Coral Gold Tiles Private Limited

Key assumptions

- a) Financial instruments; (Refer note 4.07)
- b) Useful lives of Property, plant and equipment and Intangible assets; (Refer note 1.7)
- c) Valuation of inventories; (Refer note 1.10)
- d) Assets and obligations relating to employee benefits; (Refer note 4.03)
- e) Evaluation of recoverability of deferred tax assets; (Refer note 2.08)
- f) Contingencies and (Refer note 4.04)
- g) Mines Restoration Provision (Refer note 1.24)

1.5 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting (see (c) below), after initially being recognised at cost.

c) Joint Ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or Joint Ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only Joint Ventures.

Interests in Joint Ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated Balance Sheet.

d) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from Associates and Joint Ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its Associates and Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.9 below.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an Associate, Joint Venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

The amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

If the ownership interest in a Joint Venture or an Associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss where appropriate.



1.6 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.7 Property, plant and equipment

- a) Freehold land is carried at historical cost less impairment losses, if any.
- b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- c) When significant parts of Plant and Equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.
- d) An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.
- e) Expenditure directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

- f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.
- g) Lease arrangements for land are identified as finance lease, in case such arrangements result in transfer of the related risks and rewards to the Group. Accordingly, the Group identifies any land lease arrangement with a term in excess of 50 years as a finance lease.
- h) Stores and spares which meet the definition of Property Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.
- i) Cost of mining reserve included in freehold / leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.
- j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, plant and equipment and has adopted the useful lives and residual value as prescribed therein except for the following cases which are based on internal technical assessment :

Assets	Useful life of asset
Mobile Phones	1-3 years
Motor car given to employees as per the company's scheme or vehicle used by employees	5-6 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease / rent agreement
Machinery spares	Over the useful life of the related assets
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any
Plant & Machinery – Concrete Pumps	6 years

Freehold land is not depreciated. Land on finance lease is amortised over the period of lease.

- k) The Group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, plant and equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.
- l) All assets costing up to ₹ 10,000/- are fully depreciated in the year of capitalisation.

1.8 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Technical know-how / license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the Intangible asset may be impaired. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.



Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of Intangible assets (acquired) are as follows :

Assets	Amortisation method / Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1-8 years
Mineral Procurement Rights	Unit of Production Method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Group can demonstrate the following :

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sell the asset;
- Ability to generate future economic benefits;
- The availability of adequate resources to complete the development and use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.9 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Joint Ventures and Associate (accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.10 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.

Traded goods are valued at lower of weighted average cost and net realisable value.

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

1.11 Cash and cash equivalents

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

For the purpose of statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

1.12 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.13 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement—Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement : Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following :

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Amortised Cost

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

**FVTPL**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.14 Financial liabilities and equity instruments**Classification as debt or equity**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

1.15 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.16 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of :

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.17 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations

The Group operates the following post-employment schemes :

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.



Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Group contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Group, the management does not expect any material liability on account of interest shortfall to be borne by the Group. The said contributions are charged to the Statement of Profit and Loss.

c) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d) Bonus Plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.18 Revenue Recognition

a) 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. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates but does not include value added tax (VAT), central sales tax (CST) and Goods and Services Tax (GST).

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. However, the recovery of GST is at the time of supply and on behalf of taxation authorities, revenue excludes GST.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

b) Rendering of services

Revenue from services are recognised as and when the services are rendered on stage of completion method. Income from services does not include service tax (ST)/GST.

c) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

d) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.19 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, Associates and interests in Joint Ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

1.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.

1.21 Segment reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.



The operating segments have been identified on the basis of nature of products/services.

- a) Segment revenue includes sales and other income directly attributable with allocable to segments including inter-segment revenue.
- b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.
- c) Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.
- d) Segment results includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.
- e) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

1.22 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As a lessee :

Finance Lease

Leases of Property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.23 Foreign currency translation

a) Functional and presentation currency

The Group's financial statements are prepared in INR, which is also the Group's financial and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Foreign currency transactions are translated into the functional currency using the exchange rates Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non-monetary items :

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.24 Mine Restoration Provision

The Group provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

1.25 Other Policies relating to Insurance Business

Reinsurance Ceded

Reinsurance cost in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognised when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognised in the year in which they occur.

Reinsurance accepted

Reinsurance inward acceptances are accounted for on the basis of returns / intimations, to the extent received, from the insurers.

Claims incurred

Claims are recognised as and when reported based on information from Surveyors / insured / Brokers. Claims paid are charged to the respective revenue account. Provision is made for estimated value of claims outstanding as at the Balance Sheet date. Reserve is maintained for each claim which at all times reflects the amount likely to be paid on each claim, as anticipated and estimated by the management in the light of past experience and subsequently modified for changes, as appropriate.

IBNR (Claims Incurred but not reported) and IBNER (Claims Incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of current accounting year but not have been reported or claimed. The IBNR provision also includes provision if any required for claims incurred but not enough reported. The IBNR (including IBNER) is determined based on the actuarial principles by the Appointed Actuary.

Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required under Section 64V(1)(ii)(b) of the Insurance Act, 1938.

**2.01 PROPERTY, PLANT AND EQUIPMENT :**

₹ Crores

Particulars	Gross Carrying Amount					Depreciation			Net Block	
	As at April 1, 2017	Addition	Disposal	Acquisition through business combinations	As at March 31, 2018	As at April 1, 2017	For the Year	Elimination on disposal	As at March 31, 2018	As at March 31, 2017
Own Assets :										
Land-Freehold	541.47	50.62	0.01	—	592.08	8.15	—	5.06	—	533.32
Buildings	261.53	27.06	2.03	—	286.56	28.45	—	14.98	1.99	233.08
Plant and Machinery	1,776.51	216.93	24.98	0.08	1,968.54	306.14	0.01	116.45	16.96	1,470.37
Railway siding	3.42	—	—	—	3.42	0.38	—	0.19	—	3.04
Office Equipment	10.42	3.42	0.68	0.03	13.19	4.59	0.01	1.70	0.59	5.83
Computers	12.00	4.19	0.81	0.01	15.39	5.40	—	3.45	0.60	6.60
Mines Development	121.25	40.71	—	—	161.96	58.65	—	28.13	—	62.60
Furniture & Fixtures	24.69	10.86	0.62	0.22	35.15	9.56	0.05	3.77	0.30	15.13
Vehicles	21.46	2.38	2.01	0.02	21.85	6.70	0.01	3.58	1.40	14.76
Truck Mixers, Loaders and Dumpers	10.82	0.45	0.01	—	11.26	7.34	—	1.63	0.01	3.48
Leasehold improvement	0.85	—	0.06	—	0.79	0.64	—	0.14	0.03	0.21
Total (A)	2,784.42	356.62	31.21	0.36	3,110.19	436.00	0.08	179.08	21.88	2,348.42
Assets taken on Finance Lease :										
Land	9.38	1.25	0.11	—	10.52	0.81	—	0.22	0.01	8.57
Plant and Machinery	16.84	20.78	—	—	37.62	1.83	—	3.11	—	15.01
Vehicle	0.41	—	—	—	0.41	0.01	—	0.05	—	0.40
Total (B)	26.63	22.03	0.11	—	48.55	2.65	—	3.38	0.01	23.98
Total (A + B)	2,811.05	378.65	31.32	0.36	3,158.74	438.65	0.08	182.46	21.89	2,372.40

2.01 PROPERTY, PLANT AND EQUIPMENT (Contd...)

₹ Crores

Gross Carrying Amount					Depreciation				Net Block			
Particulars	As at April 1, 2016	Addition	Disposal	Acquisition through business combinations	As at March 31, 2017	As at April 1, 2016	Acquisition through business combinations	For the Year	Elimination on disposal	As at March 31, 2017	As at March 31, 2016	
Own Assets :												
Land-Freehold	508.00	35.13	4.12	2.46	541.47	3.99	—	4.16	—	8.15	533.32	504.01
Buildings	254.12	5.83	0.53	2.11	261.53	13.87	0.32	14.27	0.01	28.45	233.08	240.25
Plant and Machinery	1,712.54	53.08	1.61	12.50	1,776.51	181.30	3.36	121.65	0.17	306.14	1,470.37	1,531.24
Railway siding	3.42	—	—	—	3.42	0.19	—	0.19	—	0.38	3.04	3.23
Office Equipment	8.37	2.20	0.15	—	10.42	2.33	—	2.32	0.06	4.59	5.83	6.04
Computers	8.37	3.68	0.17	0.12	12.00	2.45	0.06	2.93	0.04	5.40	6.60	5.92
Mines Development	109.78	11.47	—	—	121.25	28.61	—	30.04	—	58.65	62.60	81.17
Furniture & Fixtures	23.86	0.95	0.19	0.07	24.69	5.66	0.06	3.88	0.04	9.56	15.13	18.20
Vehicles	16.68	4.92	0.72	0.58	21.46	3.26	0.05	3.64	0.25	6.70	14.76	13.42
Truck Mixers, Loaders and Dumpers	10.04	0.78	—	—	10.82	4.76	—	2.58	—	7.34	3.48	5.28
Leasehold Improvement	0.85	—	—	—	0.85	0.47	—	0.17	—	0.64	0.21	0.38
Total (A)	2,656.03	118.04	7.49	17.84	2,784.42	246.89	3.85	185.83	0.57	436.00	2,348.42	2,409.14
Assets taken on Finance Lease :												
Land	9.43	0.01	0.06	—	9.38	0.62	—	0.19	—	0.81	8.57	8.81
Plant and Machinery	10.07	6.77	—	—	16.84	0.22	—	1.61	—	1.83	15.01	9.85
Vehicle	—	0.41	—	—	0.41	—	—	0.01	—	0.01	0.40	—
Total (B)	19.50	7.19	0.06	—	26.63	0.84	—	1.81	—	2.65	23.98	18.66
Total (A + B)	2,675.53	125.23	7.55	17.84	2,811.05	247.73	3.85	187.64	0.57	438.65	2,372.40	2,427.80

Notes :

- Depreciation for the year includes ₹1.82 Crores (Previous year : ₹ 0.21 Crores) considered for capitalisation.
- Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.
- Additions to Plant and Machinery during the year includes ₹ 0.11 Crores (Previous year : ₹ 0.34 Crores) on account of Research assets.

**2.02 GOODWILL :**

₹ Crores

Particulars	Gross Carrying Amount				Impairment		Net Block	
	As at April 1, 2017	Addition	Disposal	Acquisition through business combinations	As at April 1, 2017	For the Year	As at March 31, 2018	As at March 31, 2017
Goodwill	25.42	0.03	—	—	—	—	25.45	25.42
Total	25.42	0.03	—	—	—	—	25.45	25.42

₹ Crores

Particulars	Gross Carrying Amount				Impairment		Net Block	
	As at April 1, 2016	Addition	Disposal	Acquisition through business combinations	As at April 1, 2016	For the Year	As at March 31, 2017	As at March 31, 2016
Goodwill	25.42	—	—	—	—	—	25.42	25.42
Total	25.42	—	—	—	—	—	25.42	25.42

2.03 OTHER INTANGIBLE ASSETS :

₹ Crores

Particulars	Gross Carrying Amount				Amortisation		Net Block	
	As at April 1, 2017	Addition	Disposal	Acquisition through business combinations	As at April 1, 2017	For the Year	As at March 31, 2018	As at March 31, 2017
Software	14.02	2.69	—	—	4.51	2.65	7.16	9.51
Intellectual Property Rights	1.77	—	—	—	1.18	0.59	1.77	0.59
Mining Lease Rights	8.25	—	—	—	0.80	0.44	1.24	7.45
Minerals Procurement Rights	2.28	—	—	—	2.26	—	2.26	0.02
Technical Know-how	0.14	—	—	—	0.06	0.04	0.10	0.08
Total	26.46	2.69	—	—	8.81	3.72	12.53	17.65

₹ Crores

Particulars	Gross Carrying Amount				Amortisation			Net Block	
	As at April 1, 2016	Addition	Disposal	Acquisition through business combinations	As at March 31, 2017	As at April 1, 2016	For the Year	As at March 31, 2017	As at March 31, 2016
Software	10.84	3.18	—	—	14.02	2.12	2.39	4.51	8.72
Intellectual Property Rights	1.77	—	—	—	1.77	0.59	0.59	1.18	1.18
Mining Lease Rights	8.25	—	—	—	8.25	0.40	0.40	0.80	7.85
Minerals Procurement Rights	2.28	—	—	—	2.28	1.26	1.00	2.26	1.02
Technical Know-how	0.14	—	—	—	0.14	0.03	0.03	0.06	0.11
Total	23.28	3.18	—	—	26.46	4.40	4.41	8.81	18.88

Range of remaining period of amortisation as at March 31, 2018 of Intangible assets is as below :

₹ Crores

Assets	Range of remaining period of amortisation				Net Block
	< 5 year	6— 10 year	> 10 year		
Software	5.85	3.70	—		9.55
Intellectual Property Rights	—	—	—		—
Mining Leasing Rights	—	—	7.01		7.01
Minerals Procurement Rights	0.02	—	—		0.02
Technical Know-how	0.04	—	—		0.04
Total	5.91	3.70	7.01		16.62

**2.04 INVESTMENTS IN JOINT VENTURES AND ASSOCIATE :**

Particulars			₹ Crores	
	As at March 31, 2018		As at March 31, 2017	
	Qty.	Amount	Qty.	Amount
Investments in Equity Instruments accounted for using equity method:				
Investment in Joint Ventures-Unquoted				
TBK Bansal Ceramics Private Limited	5,000	—	5,000	—
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	1.74	50,000	1.61
TBK Florance Ceramics Private Limited	155,000	2.61	155,000	2.80
TBK Krishna Tile Bath Kitchen Private Limited	5,000	—	5,000	—
TBK PB Shah Tile Bath Kitchen Private Limited	50,000	—	50,000	0.13
TBK Rishi Ceramics Private Limited	5,000	0.24	5,000	0.22
TBK Samiyaz Tile Bath Kitchen Private Limited	—	—	25,000	0.41
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	5,000	0.16	5,000	0.31
TBK Home Trends Private Limited	5,000	0.12	5,000	0.13
Ardex Endura (India) Private Limited	65,00,000	40.24	65,00,000	34.90
Investment in Associate - Unquoted				
Prism Power and Infrastructure Private Limited	4,900	—	4,900	—
Investments in Preference shares - measured at amortised cost				
Investment in Joint Ventures - Unquoted				
TBK PB Shah Tile Bath Kitchen Private Limited	25,000	0.07	25,000	0.07
(0% Redeemable Preference Shares)				
TBK Reddy Tile Bath Kitchen Private Limited	5,750	—	5,750	0.01
(0% Redeemable Preference Shares)				
TBK Rishi Ceramics Private Limited	12,500	0.03	12,500	0.03
(0% Redeemable Preference Shares)				
TBK Deziners Home Private Limited	60,000	0.14	60,000	0.12
(0% Redeemable Preference Shares)				
Total investments		45.35		40.74

2.05 INVESTMENTS

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Non-current		
Investments - unquoted (fully paid-up)		
(a) Investments in Equity Instruments - measured at FVTPL	0.01	0.02
(b) Investments in Equity Instruments - designated at FVTOCI		
B L A Power Private Limited {No. of Shares 1,75,00,000 (Previous year : 1,75,00,000)}	21.00	21.00
TBK Reddy Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : 5,000)} (*)	#	—
TBK Shriram Tile Bath Kitchen Private Limited {No. of Shares 500 (Previous year : 25,000)} (*)	#	—
TBK Tile Home Private Limited {No. of Shares 100 (Previous year : 5,000)} (*)	#	—
(c) Investment in debenture or bonds-measured at FVTOCI		
Government Securities and Government Bonds	102.81	102.53
Debentures / Bonds	106.54	95.66
Investment in Infrastructure and Social sectors	101.68	25.83
Total aggregate unquoted investments	332.04	245.04
* During the year, the Group decided to divest it's stake in Joint Ventures known as TBK Reddy Tile Bath Kitchen Private Limited, TBK Shriram Tile Bath Kitchen Private Limited, TBK Tile Home Private Limited, which are engaged in retail activity of TBK segment. Simultaneously, the Group terminated relevant joint venture agreements and hence, nominal residual investments in these entities are designated as FVTOCI. As a part of these arrangements the irrecoverable dues are amounting to ₹ 1.39 Crores which is charged to the Statement of Profit and Loss.		
# Amount less than ₹ 50,000/-		
Aggregate fair value of quoted investments	—	—
Aggregate fair value of unquoted investments	332.04	245.04
Aggregate fair value of investments measured at FVTPL	0.01	0.02
Aggregate fair value of investments designated at FVTOCI	21.00	21.00
Aggregate fair value of investments measured at FVTOCI	311.03	224.02

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Current		
Investments-unquoted		
(a) Investments in debentures or bonds-measured at FVTOCI		
Government Securities and Government Bonds	4.98	—
Other Debentures / Bonds	15.41	15.08
Investment in Infrastructure and Social sectors	—	25.21
(b) Investments in Mutual Funds-measured at FVTPL	12.81	12.62
Total aggregate unquoted investments	33.20	52.91

**2.05 INVESTMENTS (Contd...)**

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Aggregate fair value of quoted investments	—	—
Aggregate fair value of unquoted investments	33.20	52.91
Aggregate fair value of investment measured at FVTOCI	20.39	40.29
Aggregate fair value of investment measured at FVTPL	12.81	12.62

2.06 LOANS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Security Deposits - Utility				
Unsecured, considered good	40.50	40.38	1.11	2.38
(a)	40.50	40.38	1.11	2.38
Security Deposits - Rental				
Unsecured, considered good	16.97	15.82	—	—
Doubtful	0.82	0.84	—	—
	17.79	16.66	—	—
Less : Impairment of Deposits	0.82	0.84	—	—
(b)	16.97	15.82	—	—
Loans to related parties *				
Unsecured, considered good	6.33	8.91	—	—
Unsecured, considered doubtful	0.10	0.69	—	—
	6.43	9.60	—	—
Less : Allowance for bad and doubtful loans	0.10	0.69	—	—
(c)	6.33	8.91	—	—
Loans to employees				
Unsecured, considered good	0.89	1.15	3.00	3.11
(d)	0.89	1.15	3.00	3.11
Loans to others				
Unsecured, considered good	10.05	8.17	—	—
Unsecured, considered doubtful	2.16	1.66	—	—
	12.21	9.83	—	—
Less : Allowance for bad and doubtful loans	2.16	1.66	—	—
(e)	10.05	8.17	—	—
Total	(a + b + c + d + e)	74.43	4.11	5.49

These financial assets are carried at amortised cost.

* Refer note 4.08

2.07 OTHER FINANCIAL ASSETS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Insurance claim receivable (refer note 4.14)	58.94	58.94	3.66	6.08
Bank deposits with more than twelve months maturity (restricted use)	0.66	17.39	—	—
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	—	—
Accrued interest	3.42	1.79	17.33	15.89
Balances related to Coal Mine and Infrastructure (refer note 4.13)	—	—	13.93	33.18
Other receivables	5.42	4.21	13.31	5.58
Total	68.49	82.38	48.23	60.73

2.08 DEFERRED TAX ASSETS (NET)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Deferred tax assets / (liabilities) in relation to :		
Unabsorbed depreciation / Business losses as per Income Tax	153.03	202.60
Provision for employee benefits	54.92	44.95
Other temporary differences / unutilised tax asset	36.01	21.84
Property, plant and equipment	(174.60)	(192.94)
Total	69.36	76.45

The movement in deferred tax assets during the year ended March 31, 2018 and March 31, 2017 :

Particulars	As at March 31, 2018	Credited / (Charged) to Statement of P&L / OCI	Acquisition through business combination	As at March 31, 2017	₹ Crores	
					Credited / (Charged) to Statement of P&L / OCI	As at March 31, 2016
Deferred tax assets / (liabilities) in relation to :						
Unabsorbed depreciation / Business losses as per Income Tax	153.03	(49.64)	0.07	202.60	(29.04)	231.64
Provision for employee benefits	54.92	9.97	—	44.95	9.19	35.76
Other temporary differences / unutilised tax asset	36.01	14.17	—	21.84	32.70	(10.86)
Property, plant and equipment	(174.60)	18.34	—	(192.94)	14.63	(207.57)
Total	69.36	(7.16)	0.07	76.45	27.48	48.97

**2.08 DEFERRED TAX ASSETS (Contd...)****Unrecognised deductible temporary differences, unused tax losses and unused tax credits :**

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Unabsorbed depreciation	38.09	25.79
Business losses	132.60	108.14
Total	170.69	133.93

Expiry schedule of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

Expiry of losses	₹ Crores	
	Business losses	Unabsorbed depreciation
2018-19	0.37	—
2019-20	1.73	—
2020-21	17.46	—
2021-22	16.45	—
2022-23	20.54	—
Five years and above	76.05	—
Indefinite	—	38.09
Total	132.60	38.09

2.09 OTHER ASSETS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Capital Advances	61.31	60.37	—	—
Advances other than Capital Advances				
Balances with government authorities:				
CENVAT / VAT / GST receivable	10.68	11.45	38.99	48.08
Balances with Statutory Authorities	—	—	2.17	4.67
Excise / VAT / Service Tax / Custom duty deposited under protest	12.30	11.68	12.19	12.14
Advance Income Tax (net of provision for taxation)	1.42	1.02	—	—
Security Deposits	9.48	8.42	0.61	0.94
Advances to other parties (net of provision for doubtful)	27.41	26.52	4.67	10.20
Prepaid expenses	4.43	3.80	12.34	11.54
Royalty refund receivable	—	—	17.12	17.12
Others	53.79	101.19	98.83	74.71
Total	180.82	224.45	186.92	179.40

2.10 INVENTORIES

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Raw materials	168.71	130.97
Goods-in-transit	0.56	0.37
Stores and spares	94.86	75.19
Goods-in-transit	2.43	0.16
Fuel Stock	65.55	47.10
Goods-in-transit	34.34	0.18
Work-in-progress	53.34	43.21
Finished goods	154.24	216.43
Goods-in-transit	8.26	10.08
Stock-in-trade	33.68	35.18
Goods-in-transit	0.85	3.33
Total	616.82	562.20

Note : Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable for the year is ₹ 22.37 Crores (Previous year : ₹ 24.63 Crores).

2.11 TRADE RECEIVABLES

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Secured, considered good	44.52	40.11
Unsecured, considered good	623.36	586.27
Unsecured, considered doubtful	108.23	90.05
	776.11	716.43
Less : Allowance for doubtful debts (expected credit loss)	108.23	90.05
Total	667.88	626.38

2.12 CASH AND CASH EQUIVALENT

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Balances with banks :		
In current accounts	55.02	51.62
Deposits with original maturity of less than three months	3.72	5.44
Cheques / drafts on hand	3.23	3.96
Cash on hand	1.21	1.73
Total	63.18	62.75

**2.13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT**

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Unclaimed Dividend	0.28	1.49
Term deposits (original maturity for more than three months but less than twelve months) (restricted use)	4.10	11.09
Term deposits (original maturity for more than three months but less than twelve months)	9.86	7.34
Total	14.24	19.92

2.14 CURRENT TAX ASSETS (NET)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Current tax assets :		
Taxes paid	62.59	71.15
Tax refund receivable	0.46	0.32
	63.05	71.47
Current tax liabilities :		
Provision for taxation	4.04	42.30
	4.04	42.30
Total	59.01	29.17

2.15 EQUITY SHARE CAPITAL

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Paid up Share Capital :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹10/- each	503.36	503.36
Total	503.36	503.36

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period :

Equity shares	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	50,33,56,580	50,33,56,580

b. Rights, preference and restrictions attached to Equity shares :

The Company has one class of Equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

c. Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22%	3,12,89,300	6.22%
HDFC Trustee Company Limited	2,64,82,422	5.26%	3,83,05,213	7.61%

2.16 OTHER EQUITY

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
General reserve	192.64	193.24
Retained earnings	221.38	164.66
Other Comprehensive Income (Financial assets measured as at FVTOCI)	0.07	1.46
Capital reserve	(0.85)	(0.65)
Capital redemption reserve	12.03	11.43
Debentures redemption reserve	109.23	121.43
Total	534.50	491.57

Description of the nature and purpose of each reserve within equity is as follows :

(a) General Reserve

The Group had transferred a portion of the net profits before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the net profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) Capital Reserve

Capital reserve represents recognition of equity component included in investments made in subsidiaries by way of preference shares and on applying Ind AS 103 Business Combination in accounting acquisitions made during the year.

(d) Capital Redemption Reserve

Capital redemption reserve was created pursuant to the scheme of amalgamation.

**(e) Debenture Redemption Reserve (DRR)**

The Group has issued non-convertible debentures. In terms of provisions of the Companies (Share Capital and Debenture) Rules, 2014 (as amended), the Group is required to create DRR which is equal to 25% of the value of the debentures issued, over the term of the debentures, out of the profits of the Group available for payment of dividend.

2.17 BORROWINGS

Particulars	₹ Crores	
	Non-current	
	As at March 31, 2018	As at March 31, 2017
Secured		
Bonds / debentures		
• 8.80% Non-convertible Debentures (refer Sr. No.1) {1000 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	100.00	—
• 9.25% Non-convertible Debentures (refer Sr. No.2) {2000 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}	200.00	200.00
• 10.75% Non-convertible Debentures (refer Sr. No. 3) {1500 Nos. (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}	150.00	150.00
• 10.25% Non-convertible Debentures (refer Sr. No. 4) {750 Nos. (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	74.84	74.76
• 11.70% Non-convertible Debentures (refer Sr. No.5) {Nil (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	—	100.00
• 9.80% Non-convertible Zero coupon Debentures with yield-to-maturity) (refer Sr. No.6) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 11.00% Non-convertible Debentures (refer Sr. No.7) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 12.65% Non-convertible Debentures (refer Sr. No.8) {Nil (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	—	50.00
• 12.65% Non-convertible Debentures (refer Sr. No.9) {Nil (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	—	100.00
• 11.25% Non-convertible Debentures (refer Sr. No.10) {Nil (Previous year : 1100 Nos.) debentures of ₹ 0.10 Crore each}	—	110.00
Term loans		
from banks (refer Sr. No. 11 to 26)	624.40	442.56
from bank (FCNR) (refer Sr. No. 27 to 28)	—	51.00
Vehicle loans		
from banks (refer Sr. No. 29 to 35)	4.66	5.86
Buyer's Credit (refer Sr. No. 55)	0.93	4.29

2.17 BORROWINGS (Contd...)

Particulars	₹ Crores	
	Non-current	
	As at March 31, 2018	As at March 31, 2017
Unsecured		
• (0.30)% + SBI Base rate Non-convertible Debentures (refer Sr. No. 56) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	100.00	100.00
• 9.00% Non-convertible Debentures (refer Sr. No. 57) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	100.00	—
0.01% Non-cumulative Redeemable Preference Shares (refer Sr. No. 58)	1.68	1.55
Inter-corporate deposits (refer Sr. No. 59)	0.14	0.14
Buyer's Credit (refer Sr. No. 60)	—	5.55
Fixed Deposits from Public (refer Sr. No. 61)	12.84	21.40
Finance lease obligations (refer Sr. No. 62)	28.68	13.71
	1,498.17	1,530.82
Less : Disclosed under other financial liabilities		
Current maturities of Non-current borrowings	336.07	334.65
Current maturities of Finance lease obligations	8.62	3.95
Unclaimed fixed deposits	1.50	2.19
Total	1,151.98	1,190.03

Particulars	₹ Crores	
	Current	
	As at March 31, 2018	As at March 31, 2017
Secured		
Loans repayable to banks		
On Demand (refer Sr. No. 36 to 51)	160.58	248.23
Buyer's Credit (refer Sr. No. 52 to 54)	107.64	2.71
Unsecured (refer Sr. No. 63)		
Working Capital Demand Loans from banks	228.42	148.08
Loan from related party	0.59	1.40
Buyer's Credit	1.38	1.25
Commercial Papers (Maximum balance outstanding ₹ 75 Crores (Previous year : ₹ 150 Crores))	25.00	50.00
Total	523.61	451.67

**2.17 BORROWINGS (Contd...)****(a) Debentures (Secured) :**

The Group has issued the following secured redeemable Non-convertible Debentures :

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
1	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put / Call option at par on November 12, 2018 and November 11, 2019.	100.00	—
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020.	200.00	200.00
3	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on January 19, 2018; July 20, 2018; January 21, 2019; July 19, 2019.	150.00	150.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Subsidiary Company. Further corporate guarantee has been extended by the Holding Company.	Allotted on December 2, 2016 and repayable at the end of 37 months from the date of allotment.	74.84	74.76
5	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018. During the year the terms of NCD were modified with the consent of Debentureholder where the security has been released by Debentureholder and ROI reduced to 9 % pa.	—	100.00
6	Secured by first pari passu charge by way of hypothecation of all the movable Property, plant and equipment of HRJ division located at Pen, Kunigal and Dewas, both present and future.	Allotted on January 21, 2015 and repayable on April 26, 2018 with Put / Call option at 11.25 % pa IRR basis redemption premium on April 26, 2017. Post April 26, 2017 the coupon rate has been reset to 9.80% till maturity.	50.00	50.00
7	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on February 3, 2015 and repayable on April 25, 2018.	50.00	50.00
8	Secured by first pari passu charge by way of hypothecation of all the movable Tangible and Intangible assets of HRJ Division located at Pen, Kunigal and Dewas, both present and future.	Allotted on July 22, 2014 and repayable on July 22, 2017.	—	50.00

2.17 BORROWINGS (Contd...)

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
9	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on July 22, 2014 and repayable on July 22, 2017.	—	100.00
10	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on August 20, 2014 and ₹ 55 Crores repayable on April 24, 2017, ₹ 40 Crores repayable on April 28, 2016, ₹ 55 Crores repayable on June 21, 2017 with Put / Call option at par on June 21, 2016.	—	110.00
Total			624.84	884.76

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures) :

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
11	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 7 years including moratorium period from the date of facility availed on November 23, 2013.	—	27.50
12	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 7 years including moratorium period from the date of facility availed on September 28, 2013.	—	75.00
13	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years availed on March 16, 2016.	230.00	190.00
14	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7 th Floor, Windsor.	Quarterly installments payable over a period of 5 years. ₹ 4.17 Crores each per quarter from November 17, 2018.	50.00	50.00
15	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	70.00	—
16	Secured by first pari passu charge on all the movable and immovable fixed assets of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	90.00	—
17	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly in 12 equal installments payable from the last day of 18 th month from date of first drawdown of facility availed on March 16, 2017.	74.46	74.17

**2.17 BORROWINGS (Contd...)**

Sr. No	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
18	Secured by second pari passu charge over land and all Tangible and Intangible assets of the Subsidiary Company.	EMI over a period of 94 months starting from June 2012.	0.91	1.83
19	Secured by second pari passu charge over land and all Tangible and Intangible assets of the Subsidiary Company.	EMI over a period of 66 months starting from January 2013.	—	0.12
20	Secured by second pari passu charge over land and all Tangible and Intangible assets of the Subsidiary Company.	EMI over a period of 66 months starting from January 2013.	0.57	1.01
21	Secured by second pari passu charge over land and all Tangible and Intangible assets of the Subsidiary Company.	EMI over a period of 61 equal months starting from July 2016.	1.42	1.90
22	Secured by hypothecation of all Tangible and Intangible assets (present & future) and second pari passu charge over the immovable assets (land) of the Subsidiary Company.	EMI over a period of 72 months starting from April 30, 2018.	32.52	19.20
23	Hypothecation by way of first and exclusive charge on all present & future current assets inclusive of all stocks, book debts. Hypothecation by way of first and exclusive charge on all Property, plant and equipment.	Repayable in 84 EMI.	40.85	—
24	Secured against hypothecation of first charge of existing Land, Building and Plant & Machinery. Exclusive charge of Plant and Machinery acquired from the loan.	Repayable in 10 equal quarterly instalments from April, 2018.	30.00	—
25	Secured by hypothecation of all present and future current assets inclusive of all stock, book debts and Property, plant and equipment inclusive of all the Plant and Machinery. Further equitable mortgage of the property situated at Morbi.	Repayable in 60 EMI.	4.15	—
26	Secured by hypothecation of all Tangible and Intangible assets (present & future) and second pari passu charge over the immovable assets (land) of the Subsidiary Company.	EMI over a period of 72 months starting from October 2014.	3.15	4.35
27	Secured by first pari passu charge by way of hypothecation of all the movable Property, plant and equipment of HRJ division located at Pen, Kunigal and Dewas, both present and future.	Quarterly installments payable over a period of 3 years including moratorium period of one year; 8 equal quarterly installments from June 26, 2016.	—	18.66
28	Secured by first pari passu charge on entire movable Tangible and Intangible assets of RMC Division excluding assets charged exclusively to other lenders.	Quarterly installments payable over a period of 3 years including moratorium period of one year; 8 equal quarterly installments from June 26, 2016.	—	33.17
29	Secured by exclusive charge on vehicles of HRJ Division.	EMI over a period of 60 months from the respective date of disbursement.	3.12	3.84
30	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division.	EMI over a period of 60 months from the respective date of disbursement.	0.34	0.42
31	Secured by exclusive charge on vehicles of Cement Division.	EMI over a period of 60 months from the respective date of disbursement.	0.55	0.62

2.17 BORROWINGS (Contd...)

Sr. No	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
32	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 60 EMI from December 2012.	0.06	0.01
33	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 60 equal quarterly instalments.	0.15	0.18
34	Secured by hypothecation of the respective assets covered under the loan agreement of the Subsidiary Company.	Repayable in 35 EMI.	—	0.03
35	Secured by first pari passu charge on vehicles of the Subsidiary Company.	Repayable in 36 EMI.	0.44	0.76
36	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	Repayable within one year.	18.33	121.59
37	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of RMC Division.	Repayable on Demand.	0.32	4.05
38	Secured by way of hypothecation of stocks and book debts and collaterally secured by way residual value of movable and immovable assets other than factory land & building of the Subsidiary Company.	Repayable on Demand.	9.98	9.68
39	Secured by first pari passu charge on all current assets both present and Future, second pari passu charge on all the Tangible and Intangible assets both present and Future and personal guarantee of Director of the Subsidiary Company.	Repayable on demand.	4.03	2.25
40	Secured by first pari passu charge on all current assets both present and Future, second pari passu charge on all Tangible and Intangible assets both present and future and personal guarantee of Director of the Subsidiary Company.	Repayable on demand.	0.32	0.96
41	Secured by first pari passu charge on all current assets of the Subsidiary Company both present and future, second pari passu hypothecation charge on all existing and future movable Property, plant and equipment (except vehicles). Second pari passu mortgage charge on all Immovable properties being land and building of the Subsidiary Company.	Repayable on demand.	3.19	3.52
42	Secured by first pari passu charge by hypothecation of total current assets and second pari passu charge over entire Tangible and Intangible assets (other than Land and building) and personal guarantees of three directors of the Subsidiary Company.	Repayable on demand.	34.69	43.58
43	Secured by hypothecation of stock, book debts, and all other current assets (present & future). Equitable mortgage over the immovable property (factory land) of the Subsidiary Company.	Repayable on demand.	32.83	18.56

**2.17 BORROWINGS (Contd...)**

Sr. No	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
44	Secured by hypothecation of land & building and all Tangible and Intangible assets and all current assets & personal guarantee of two directors of the Subsidiary Company.	Repayable on demand.	11.64	1.49
45	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets both present and future. Further corporate guarantee has been extended by the Holding Company.	Repayable on demand.	16.08	3.81
46	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the Subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	—	14.97
47	Secured by first pari passu charge on all Tangible and Intangible assets of the Subsidiary Company, second pari passu charge on current assets of the Subsidiary Company both present and future. The facility will be secured by Fixed Deposit margin of 150% of facility amount of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	4.07	1.49
48	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	5.00	3.75
49	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	9.83	8.82

2.17 BORROWINGS (Contd...)

Sr. No	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
50	Secured by hyothecation of all present and future current and movable assets of the Company and exclusive equitable mortgage of Property situated at Motiwala Nagar, Aurangabad owned by one of the Directors and personal guarantee of two Directors of the Subsidiary Company.	Repayable on demand.	0.40	—
51	Secured by hypothecation of all current asset, both present and future and all movable Property, plant and equipment of the Subsidiary Company. Further equitable mortgage of the Immovable property of the Subsidiary Company.	Repayable on Demand.	9.87	9.71
52	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of Cement Division.	As per due dates of respective buyer's credit.	97.07	—
53	Secured by first pari passu charge by hypothecation of total current assets and second pari passu charge over entire Tangible and Intangible assets (other than Land and building) and personal guarantees of three directors of the Subsidiary Company.	Repayable on demand.	5.29	—
54	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division	As per due dates of respective buyer's credit.	5.28	2.71
55	Secured by first pari passu charge by hypothecation of total current assets and second pari passu charge over entire Tangible and Intangible assets (other than Land and building) and personal guarantees of three directors of the Subsidiary Company.	Repayable on demand.	0.93	4.29
Total			901.84	758.00
Less : Unamortised borrowing costs			3.63	3.35
Total			898.21	754.65



2.17

BORROWINGS (Contd...)**(c) Terms of Repayment for Unsecured borrowings :**

Sr. No.	Nature of Security	Terms of Repayment	₹ Crores	
			As at March 31, 2018	As at March 31, 2017
Non-current Borrowings :				
56	Non-convertible Debentures	Allotted on September 15, 2015 and repayable on September 14, 2018 with Interest reset clause on September 30, 2016 and September 30, 2017.	100.00	100.00
57	Non-convertible Debentures	Allotted on November 26, 2014 and repayable on November 25, 2019 with Put / Call option at par on November 26, 2017 and November 26, 2018. During the year the terms of NCD were modified with the consent of Debentureholder where the security has been released by Debentureholder and ROI reduced to 9 % pa.	100.00	—
58	Non-cumulative Redeemable Preference Shares	Twenty years from the date of issue.	1.68	1.55
59	Inter corporate deposits	Three years from April 1, 2016.	0.14	0.14
60	Buyer's Credit	As per due dates of respective buyer's Credit.	—	5.55
61	Fixed deposits from public	Payable over a period of one to two years from the respective date of disbursement.	12.84	21.40
62	Finance lease obligation	Payable over period of five years from the respective date of disbursement.	28.68	13.71
63	Current Borrowings		255.39	200.73
Total			498.73	343.08

(d) Aggregate value of non-current borrowings guaranteed by others :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Bonds / debentures		
Principal	75.00	75.00
Interest	2.49	2.53
Term loans from banks		
Principal	105.00	75.76

2.17 BORROWINGS (Contd...)

(e) Assets pledged as security :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Current		
Cash and cash equivalents	2.98	1.12
Other Bank Balance	5.25	1.28
Receivables	840.10	722.58
Inventories	616.73	538.89
Others	2.35	-
Total (a)	1,467.41	1,263.87
Non-current		
Freehold Land	558.12	494.80
Buildings	168.51	119.89
Plant and Machinery	1,355.80	1,157.28
Railway siding	2.83	3.02
Office equipments	3.74	3.41
Furniture and Fixtures	6.27	9.22
Movable Tangible assets at Pen, Dewas and Kunigal	177.29	186.26
Computers	2.49	3.65
Mines Development	69.98	58.12
Vehicles	8.44	6.39
Total (b)	2,353.47	2,042.04
Total (a + b)	3,820.88	3,305.91

2.18 TRADE PAYABLES

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Total outstanding dues of Micro Enterprises & Small Enterprises	2.28	2.38
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	681.96	713.16
Total	684.24	715.54

**2.19 OTHER FINANCIAL LIABILITIES**

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Current maturities of non-current borrowings	—	—	336.07	334.65
Current maturities of finance lease obligations	—	—	8.62	3.95
Payables for acquisition of Property, plant and equipment	—	—	37.11	34.17
Interest accrued	0.11	6.24	62.16	47.84
Unclaimed Dividends*	—	—	0.28	1.49
Unpaid matured deposits and interest accrued thereon	—	—	1.82	2.62
Security deposits from customers / others	214.88	198.31	21.96	12.82
Payable to employees	—	—	17.71	13.46
Financial lease obligations	1.96	1.96	—	—
Liability for expenses	0.39	0.05	180.77	193.63
Proportionate share in Joint Venture losses	—	—	1.19	0.89
Others	61.66	52.93	89.55	19.35
Total	279.00	259.49	757.24	664.87

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2018 (Previous year : Nil).

Detail of Current Maturities of Non-current Borrowings

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
	2018	2017
Secured Loans :		
Non-convertible debentures	100.00	260.00
Term loans	125.92	54.12
Vehicle loans	1.74	1.69
Unsecured Loans :		
Non-convertible debentures	100.00	—
Buyer's Credit	—	5.55
Fixed Deposits from public	6.81	13.29
Non-convertible Preference Shares	1.60	—
Total	336.07	334.65

2.20 PROVISIONS

Particulars	₹ Crores			
	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Employee benefits :				
Provision for Gratuity	3.61	2.59	1.45	1.10
Provision for Bonus	—	—	16.44	15.02
Provision for Leave Encashment	19.04	18.78	12.71	9.17
Others	0.15	0.10	13.39	10.93
	22.80	21.47	43.99	36.22
Others :				
Provision for claims under litigations	0.07	0.07	—	—
Provision for expenses	—	—	0.25	0.43
Others	4.22	3.18	0.01	0.01
	4.29	3.25	0.26	0.44
Total	27.09	24.72	44.25	36.66

2.21 DEFERRED TAX LIABILITIES (NET)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Deferred tax liabilities / (assets) in relation to :		
Unabsorbed depreciation / Business loss as per Income Tax	—	(0.45)
Provision for employee benefits	(0.91)	(1.43)
Other temporary differences	(9.07)	1.18
Property, plant and equipment	35.11	26.19
Total	25.13	25.49

The movement in deferred tax liabilities during the year ended March 31, 2018 and March 31, 2017 :

Particulars	₹ Crores					
	As at March 31, 2018	Credited / (Charged) to Statement of P&L/OCI	As at March 31, 2017	Credited / (Charged) to Statement of P&L/OCI	Acquisition through business combination	As at March 31, 2016
Deferred tax liabilities / (assets) in relation to :						
Unabsorbed depreciation / Business loss as per Income Tax	—	0.45	(0.45)	(0.45)	—	—
Provision for employee benefits	(0.91)	0.52	(1.43)	(0.73)	(0.01)	(0.69)
Other temporary differences	(9.07)	(10.25)	1.18	1.49	—	(0.31)
Property, plant and equipment	35.11	8.92	26.19	0.30	(0.53)	26.42
Total	25.13	(0.36)	25.49	0.61	(0.54)	25.42

**2.22 OTHER LIABILITIES**

₹ Crores

Particulars	Non-current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Advance from customers	—	—	94.70	85.64
Statutory liabilities	22.73	19.05	117.83	69.91
Other employee benefit expenses	—	—	11.46	7.65
Others	22.11	13.48	52.74	51.97
Total	44.84	32.53	276.73	215.17

2.23 CURRENT TAX LIABILITIES (NET)

₹ Crores

Particulars	As at March 31, 2018	As at March 31, 2017
Current tax liabilities :		
Provision for taxation	78.89	19.47
	78.89	19.47
Current tax assets :		
Taxes paid	36.58	5.88
Others	0.11	0.01
	36.69	5.89
Total	42.20	13.58

3.01 REVENUE FROM OPERATIONS

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations		
Sale of products (including Excise Duty) (refer note 4.15)	5,555.80	5,487.62
Sale of services	35.91	23.79
Other operating revenue :		
Scrap sales	9.92	9.55
Claims and recoveries	7.65	11.20
Export incentive	2.01	1.59
Investment Income of Insurance Business	24.41	21.72
Net Gain arising of financial assets designated as at FVTPL	0.71	0.77
Commission	1.66	1.19
Others	3.30	5.75
Total	5,641.37	5,563.18

3.02 OTHER INCOME

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest income earned on financial assets :		
Bank deposits (at amortized cost)	1.60	2.16
Unwinding Interest on financial assets	0.20	0.13
Dividend on Preference Shares	0.02	0.02
Others	6.16	5.68
Other non-operating income :		
Government assistance-Tax subsidy / Exemption	41.73	68.41
Miscellaneous income	16.91	10.26
Other gains and losses :		
Net gain on foreign exchange fluctuation	—	3.20
Net gain on disposal of Property, plant and equipment	—	2.11
Total	66.62	91.97

**3.03 CHANGES IN INVENTORIES**

Particulars	₹ Crores	
	Year ended March 31,	Year ended March 31,
	2018	2017
Inventories at the end of the year (including in-transit)		
Stock-in-trade	34.53	38.51
Work-in-progress	53.34	43.21
Finished goods	162.50	226.51
(a)	250.37	308.23
Add : On Acquisition		
Stock-in-trade	1.98	—
Work-in-progress	—	0.21
Finished goods	—	4.51
(b)	1.98	4.72
Provision for excise duty reversed	(23.59)	—
(c)		
Inventories at the beginning of the year (including in-transit)		
Stock-in-trade	38.51	49.89
Work-in-progress	43.21	40.92
Finished goods	226.51	229.68
(d)	308.23	320.49
Total (a – b – c – d)	(36.25)	(16.98)

3.04 OTHER MANUFACTURING EXPENSES

Particulars	₹ Crores	
	Year ended March 31,	Year ended March 31,
	2018	2017
Stores and spares consumed	93.17	84.70
Plant and equipment hire charges	49.03	49.77
Repairs to plant and equipment	35.14	39.76
Royalty for minerals	53.78	51.85
Sub-contract charges	69.63	62.25
Plant upkeep expenses	38.32	35.31
Quarry expenses	22.64	25.38
Dies and punches consumed	0.75	0.57
Other manufacturing expenses	10.55	11.89
Total	373.01	361.48

3.05 EMPLOYEE BENEFITS EXPENSE

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	453.60	419.70
Contribution to provident and other funds	36.62	32.00
Staff welfare expenses	22.50	20.49
Total	512.72	472.19

3.06 FINANCE COSTS

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest and Finance charges on financial liabilities :		
Interest on overdraft / cash credit	23.32	24.38
Interest on borrowings	193.01	183.10
Preference Share Dividend including Corporate Tax	0.15	0.12
Interest on finance lease obligation	1.90	1.14
Interest on taxes	0.82	0.04
Exchange differences regarded as an adjustment to borrowing cost	—	0.02
Other borrowing costs	7.83	7.77
Total	227.03	216.57

3.07 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of Property, plant and equipment	180.64	187.43
Amortization of Intangible assets	3.72	4.41
Total	184.36	191.84

**3.08 OTHER EXPENSES**

Particulars	₹ Crores	
	Year ended March 31,	Year ended March 31,
	2018	2017
Rent expenses	38.87	42.59
Rates and taxes	22.34	31.44
Travelling and communication expenses	54.98	53.85
Commission on sales	22.41	19.80
Advertisement, sales promotion and other marketing expenses	71.91	73.24
Legal and professional fees	66.75	50.22
Re-insurance expenses	16.41	14.27
Insurance	10.74	10.11
Impairment loss allowance on other financial assets carried at amortized cost	2.98	0.61
Impairment of trade receivables	18.18	25.02
Bad debts written off	5.40	3.45
Concrete pumping expenses	16.17	17.12
Research expenses *	3.82	3.51
Repairs to buildings	3.32	5.16
Repairs others	5.70	5.32
Bank charges	5.30	4.47
Impairment on non-current assets	0.15	0.32
Net loss on foreign exchange fluctuation	0.73	—
Loss on disposal of Property, plant and equipment (net)	2.30	—
Miscellaneous expenses	135.30	110.76
Total	503.76	471.26
* Research expenses comprise of :		
Salaries and wages	1.83	1.61
Travelling and Communication	0.38	0.38
Others	1.61	1.52
Total	3.82	3.51

3.09 TAX EXPENSES

Particulars	₹ Crores	
	Year ended March 31, 2018	Year ended March 31, 2017
(a) Income tax expenses :		
Current tax		
In respect of the current year	37.39	29.88
	37.39	29.88
Deferred tax		
In respect of the current year	8.27	(2.41)
	8.27	(2.41)
Total	45.66	27.47
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.21	1.24
Share in joint ventures, to the extent not to be reclassified to profit or loss	0.02	0.02
Net Gain arising of financial assets designated as at FVTOCI	1.35	(1.36)
	1.58	(0.10)
Total income tax expense recognised in the current year (a - b)	44.08	27.57
(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows :		
Net profit before tax	100.66	41.72
Effective tax rate applicable to the Company	34.61%	34.61%
Tax amount at the enacted income tax rate	34.84	14.44
Share of profit / (loss) in joint venture not taxable	1.11	0.52
Entities with losses not liable to tax	12.78	14.28
Difference in tax rates of certain entities of the group	(3.31)	(2.96)
Tax holiday concession	(1.27)	(1.29)
Add : Expenses not deductible in determining taxable profits	68.92	78.93
Less : Allowances / deductible	(60.42)	(59.31)
Minimum Alternative Tax	26.66	11.26
Tax relating to earlier years	0.16	0.67
Others	1.58	1.47
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits	(41.88)	(36.48)
Incremental Deferred Tax asset on account of other temporary differences	(1.35)	—
Incremental Deferred Tax liability on account of other temporary differences	6.26	6.04
Tax expense as per the Statement of Profit and Loss	44.08	27.57

**4.01 EARNINGS PER SHARE (EPS)**

Particulars	As at March 31, 2018	As at March 31, 2017
Basic earnings per share :		
Attributable to equity holders of the Group (₹)	0.84	-0.04
Diluted earnings per share :		
Attributable to equity holders of the Group (₹)	0.84	-0.04
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit / (loss) attributable to equity holders of the Group used in calculating basic earnings per share (₹ Crores)	42.50	(1.80)
Diluted earnings per share		
Profit / (loss) attributable to equity holders of the Group used in calculating diluted earnings per share (₹ Crores)	42.50	(1.80)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 LEASES

- Under finance lease arrangements, the group had acquired mining rights of limestone, against which the total payment has been made and no contingent rent is payable.
- Details of Finance lease agreements (Land, Machinery and Equipments) – Non-cancellable :

The Group has entered into finance lease agreement for plant and machinery. Future minimum lease payments (MLP) under these leases are as follows :

Finance lease Liabilities	₹ Crores			
	Minimum lease payment		Present value of Minimum lease payment	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Not later than one year	9.05	4.16	5.99	2.75
Later than one year and not later than five years	20.87	10.61	17.14	7.91
Later than five years	11.91	12.12	0.75	0.84
Total	41.83	26.89	23.88	11.50

At the expiry of the lease term, incase of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value.

4.02 LEASES (Contd...)

Operating lease agreements (Land, Machinery and Equipments) - Non-cancellable

Future Lease Rental Payments	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Due not later than one year	13.48	16.41
Due later than one year but not later than five years from the Balance Sheet date	23.22	25.51
Later than five years	0.20	0.23
Total	36.90	42.15

Lease rentals of ₹ 14.85 Crores (Previous year : ₹ 16.33 Crores) in respect of obligations under operating leases have been recognised in the Statement of Profit and Loss.

4.03 EMPLOYEE BENEFITS

1. Defined contribution plans

The Group operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expense recognised in the Statement of Profit and Loss of ₹ 19.58 Crores (Previous year : ₹ 17.91 Crores) represents contributions payable to these plans by the Group at rates specified in rules of the plans.

2. Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employee. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds.

These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



4.03 EMPLOYEE BENEFITS (Contd...)

3. Principal assumptions used for the purpose of actuarial valuation

Particulars	Valuation as at	
	March 31, 2018	March 31, 2017
Discount Rate	7.70% to 8.09%	7.34% to 8.08%
Expected Rate(s) of salary increase	4% to 8%	4% to 8%
Average longevity at retirement age for current beneficiaries of plans (years)	32 to 42	36 to 42
Average longevity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition rate	2% to 14%	2% to 10%

4. (a) Amounts recognised in consolidated Statement of Profit and Loss in respect of defined benefit plans

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Service cost:				
Current service cost	2.53	1.70	6.66	5.65
Net interest expense	1.84	1.44	1.94	1.24
Actuarial (gain) / loss	5.80	8.01	0.39	(0.12)
Component of defined benefit costs recognised in Statement of Profit & Loss	10.17	11.15	8.99	6.77

(b) Amounts recognised in consolidated Other Comprehensive Income in respect of defined benefit plans

Particulars	₹ Crores	
	March 31, 2018	March 31, 2017
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	(0.40)	(1.05)
Actuarial (gains) / losses arising from changes in demographic assumptions	1.76	2.55
Actuarial (gains) / losses arising from changes in financial assumptions	(0.72)	1.50
Actuarial (gains) / losses arising from experience adjustments	—	0.19
Components of defined benefits cost recognised in Other Comprehensive Income	0.64	3.19

4.03 EMPLOYEE BENEFITS (Contd...)

5 (a) Movements in present value of defined benefit obligation and planned assets

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligations	27.92	23.98	45.75	38.52
Acquisition through business combination	—	—	—	0.04
Current service cost	2.53	1.70	6.66	5.65
Interest cost	1.84	1.44	3.15	2.49
Remeasurement (Gains)/loss				
Actuarial (gains) / losses arising from changes in demographic assumptions	1.10	2.20	1.76	2.55
Actuarial (gains) / losses arising from changes in financial assumptions	(0.30)	0.92	(0.73)	1.50
Actuarial (gains) / losses arising from experience adjustments	5.00	4.89	—	0.19
Actuarial (gain) / loss on obligations	—	—	—	(0.12)
Benefits paid	(6.49)	(7.21)	(4.71)	(5.07)
Closing Defined Benefit Obligation	31.60	27.92	51.88	45.75

5 (b) Movements in fair value of the plan assets

Particulars	₹ Crores	
	Gratuity	
	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets	33.83	31.56
Interest income	2.57	2.20
Contributions	2.49	3.95
Return on plan assets	0.38	1.08
Benefits paid	(4.59)	(4.96)
Closing fair value of plan assets	34.68	33.83

6. The categories of plan assets as a percentage of total plan are as follows :

Particulars	Percentage	
	As at March 31, 2018	As at March 31, 2017
Equity Shares	19.24%	18.21%
Central and State Government Securities	54.25%	56.20%
Other Fixed Income Securities/Deposits	26.51%	25.59%
Total	100.00%	100.00%

**4.03 EMPLOYEE BENEFITS (Contd...)****Sensitivity Analysis**

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Particulars	₹ Crores			
	Leave Encashment		Gratuity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount Rate +100 basis points	30.92	26.41	49.18	42.37
Discount Rate -100 basis points	21.26	29.08	54.42	48.58
Salary Increase Rate +1 %	33.26	28.97	54.22	48.37
Salary Increase Rate -1 %	31.02	26.49	49.31	42.51
Attrition Rate +1%	32.22	27.88	51.99	45.77
Attrition Rate -1%	31.96	27.43	51.31	44.74

4.04 (a) Contingent Liabilities

- (i) Guarantees given by the Group's bankers and counter guaranteed by the Group : ₹ 62.56 Crores (Previous year : ₹ 48.18 Crores).
- (ii) Prepayment charges claimed by banks on amounts prepaid ₹ 2.92 Crores (Previous year : ₹ 2.92 Crores).
- (iii) Claims against the Company not acknowledged as debts on account of disputes:
 - (a) In respect of exemption of Central Sales Tax on coal purchases : ₹ 7.56 Crores (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.
 - (b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores).
 - (c) Tax on Rural and Road Development ₹ 11.92 Crores (Previous year : ₹ 10.45 Crores).
 - (d) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 187.57 Crores. (Previous year : ₹ 164.03 Crores).

(b) Capital and other Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 58.28 Crores (Previous year : ₹ 93.04 Crores) and other commitments include outstanding letter of credit ₹ 37.40 Crores (Previous year : ₹ 51.27 Crores).
- (ii) The Group has imported capital goods without payment of duty under EPCG Scheme. The Group has been granted waiver for Duty of ₹ 13.11 Crores (Previous year : Nil) and against this waiver, the Group is committed to export goods of ₹ 78.55 Crores (Previous year : Nil) in a Block of 6 years from the date of authorisation of EPCG License. Till March 2018, the Group has exported goods manufactured from the Imported Capital Goods of ₹ 15.52 Crores (Previous year : Nil). The outstanding Export Obligation as on 31st March 2018 is ₹ 63.03 Crores (Previous year : Nil).

(c) Financial Guarantee

Corporate guarantees issued to the bankers ₹ 249.25 Crores (Previous year : ₹ 227.25 Crores).

(d) Disclosure of provisions made as per the requirements of Ind AS - 37 on “Provisions, Contingent Liabilities and Contingent Assets” are as follows :

Particulars	As at April 1, 2017	Provisions made during the year	Amounts utilised or reversed during the year	₹ Crores
				As at March 31, 2018
MPEB Cess on Generation of Electricity	8.33	—	—	8.33
MP Entry Tax / VAT	10.05	—	—	10.05
UP Entry Tax	3.86	—	3.86	—
VAT on Inter Unit Transfer	0.68	—	—	0.68
Appeal with AP Commercial Tax Department	0.67	—	—	0.67
Mines Restoration Expenses	2.56	1.01	—	3.57
Service Tax on Goods Transport Agency	13.09	1.41	—	14.50

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of 0.23 Crores (Previous year : ₹ 0.23 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 37.57 Crores (Previous year : ₹ 39.01 Crores).

- (e)** In terms of long-term gas supply agreement (GSA) with GAIL (India) Limited (GAIL) having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquified Natural Gas (RLNG) specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause (TOP) of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price.

In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding two calendar years, GAIL has waived of TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2018, which would be due in December 2018, if it remains undrawn or not waived, is approximately ₹ 13.31 Crores.

In view of the decreasing trend of the Long Term RLNG prices when compared with Spot Gas prices and other imported gases available in the market and also expected increase in the capacity utilization due to favourable market conditions and allocation to another unit of the Company, the management is confident about utilization of underdrawn RLNG as above in balance part of the calendar year. The aforesaid amount, if payable, will only be in the nature of an advance payment for future purchase of RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and no consequential effect of the same is required to be given in these accounts.



4.05 Capital work-in-progress includes pre-operative expenses of ₹ 71.13 Crores (Previous year: ₹ 63.66 Crores), the details of which are as under :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	3.01	2.94
Contribution to Provident and other funds	0.10	0.10
Rent, Rates and Taxes	0.32	0.31
Travelling and Communication	0.35	0.29
Professional fees	0.11	0.24
Depreciation	1.82	0.21
Miscellaneous expenses	1.76	1.26
Total	7.47	5.35
Add : Expenditure up to previous year	63.66	58.31
Balance Carried forward	71.13	63.66
Cost relating to acquisition of assets and related direct expenses	28.58	72.53
Total Capital Work-in-progress	99.71	136.19

4.06 CAPITAL MANAGEMENT

Risk management

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Group takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

Consistent with others in the industry, the Group monitors capital on the basis of the capital gearing ratio computed as under:

Net debt (Total Borrowings net of Cash and Cash equivalents) divided by Total Equity (as shown in the Balance Sheet including Non-controlling interest).

The Group's strategy is to maintain a capital gearing ratio within 2.25 times. The comparative capital gearing ratios are tabulated as hereunder :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Net Debt	1,944.36	1,899.82
Total Equity	1,310.53	1,264.35
Net Debt to Equity ratio	1.48	1.50

The Group has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying documents.

4.07 FINANCIAL INSTRUMENTS

(i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

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

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

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Trade receivables	667.88	667.88	626.38	626.38
Loans	78.85	78.85	79.92	79.92
Cash and Bank balances	78.39	78.39	100.35	100.35
Other financial assets	115.75	115.75	125.12	125.12
Measured at FVTPL :				
Investments	12.82	12.82	12.64	12.64
Derivative Instruments	#	#	0.31	0.31
Measured at FVTOCI :				
Investment in other companies	352.42	352.42	285.31	285.31
Total Financial assets	1,306.11	1,306.11	1,230.03	1,230.03

₹ Crores

**4.07 FINANCIAL INSTRUMENTS (Contd...)**

Particulars	₹ Crores			
	As at March 31, 2018		As at March 31, 2017	
	Carrying values	Fair value	Carrying values	Fair value
Measured at amortised cost				
Borrowings	2,021.78	2,021.78	1,982.49	1,982.49
Trade payables	684.24	684.24	715.54	715.54
Other financial liabilities	690.05	690.05	583.57	583.57
Measured at FVTPL :				
Derivative Instruments	—	—	—	—
Total Financial liabilities	3,396.07	3,396.07	3,281.60	3,281.60

(iii) Level wise disclosure of financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	21.00	21.00	3	Fair value
Investments in mutual funds	12.81	12.62	1	Quotes from market
Investment in debenture/bonds	331.42	264.30	2	Quotes from market for similar instruments
Foreign currency forward contracts - Assets	#	0.31	2	Quotes from banks or dealers

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements.

₹ Crores	
Investment in equity instruments of other companies	Amount
Balance as on April 1, 2017	21.00
Add: Acquisition of investments	—
Balance as on March 31, 2018	21.00

Amount less than ₹ 50,000/-

(iv) Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the respective Board of the companies in the Group. The details of different types of risk and management policy to address these risks are listed below:

The Group's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Group, it uses various instruments and follows policies set up by the Board of Directors / Management.

4.07 FINANCIAL INSTRUMENTS (Contd...)

(a) Credit Risk :

Credit risk arises from the possibility that counter party will cause financial loss to the Group by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Group's policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

Each company of the Group has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors. The Group uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Group operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Age of receivables :		
Within the credit period	206.99	347.92
1-90 days past due	355.15	210.97
91-180 days past due	58.31	40.61
181-270 days past due	26.03	20.92
More than 270 days past due	129.63	96.01
Total	776.11	716.43

Movement in the expected credit loss allowance	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	90.05	71.35
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	18.18	18.70
Balance at the end of the year	108.23	90.05

b) Liquidity Risk :

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.



4.07 FINANCIAL INSTRUMENTS (Contd...)

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

				₹ Crores
As at March 31, 2018	< 1 year	1-5 year	> 5 year	Total
Non-Current borrowings	329.27	1,118.99	8.39	1,456.65
Current borrowings	523.61	—	—	523.61
Finance lease obligation	8.62	20.06	—	28.68
Fixed Deposits payable	8.31	4.53	—	12.84
Trade Payables	684.24	—	—	684.24
Other Financial Liabilities	411.07	50.08	228.90	690.05
As at March 31, 2017	< 1 year	1-5 year	> 5 year	Total
Non-Current borrowings	319.17	1,149.67	26.87	1,495.71
Current borrowings	451.67	—	—	451.67
Finance lease obligation	3.95	9.76	—	13.71
Fixed Deposits payable	15.48	5.92	—	21.40
Trade Payables	715.54	—	—	715.54
Other Financial Liabilities	324.09	37.73	221.75	583.57

Financing arrangements

The Group has sufficient sanctioned line of credits from its bankers / financiers; commensurate to its business requirements. The Group reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit to handle peak business cycle.

The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk.

i. Market Risk – Foreign Exchange

Foreign currency risk is that the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group hedges the receivables as well as payables after discussion with the Forex Consultant and as per policies set by the management.

The Group is also exposed to the foreign currency loans availed from various banks to reduce the overall interest cost.

4.07 FINANCIAL INSTRUMENTS (Contd...)

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities as at the end of the reporting period are as follows :

Currency	In Crores			
	Liabilities		Assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
US Dollar (USD)	1.86	1.10	0.15	0.07
EURO	0.12	0.18	0.01	#
British Pound (GBP)	—	—	—	0.06
Japanese Yen (JPY)	0.06	0.04	—	—
Swiss Francs (CHF)	#	—	—	—
Danish Krone (DKK)	#	—	—	—
Srilankan Rupee (LKR)	0.20	0.80	9.00	12.97

Amount less than 50,000/-

Foreign Currency Exposure

Foreign currency exposure as at March 31, 2018	In Crores					
	USD	EURO	JPY	LKR	DKK	CHF
Trade receivables	0.11	0.01	—	9.00	—	—
Loans and other receivables	0.04	—	—	—	—	—
Borrowings	1.69	#	—	—	—	—
Trade payables	0.17	0.12	0.06	0.20	#	#
Forward contracts for receivable	#	—	—	—	—	—

Foreign currency exposure as at March 31, 2017	In Crores					
	USD	EURO	JPY	GBP	LKR	
Trade receivables	0.05	—	—	0.06	12.97	
Loans and other receivables	0.02	#	—	—	—	
Borrowings	0.86	0.08	—	—	—	
Trade payables	0.24	0.10	0.04	—	0.80	
Forward contracts for receivable	—	—	—	0.06	—	

**4.07 FINANCIAL INSTRUMENTS (Contd...)****Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date**

Currency	Nature	In Crores			
		As at March 31, 2018		As at March 31, 2017	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.89	#	0.14
LKR	Asset	9.00	3.77	12.97	5.53
USD	Asset	0.15	9.55	0.07	4.25
DKK	Liability	#	0.01	—	—
EURO	Liability	0.12	9.68	0.18	12.45
LKR	Liability	0.20	0.08	0.80	0.34
USD	Liability	1.86	121.05	1.10	71.34
JPY	Liability	0.06	0.04	0.04	0.02
CHF	Liability	#	0.01	—	—

Amount less than 50,000/—

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit after tax and impact on Equity.

Currency	Impact on Profit after Tax and Equity			
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
	1% increase	1% increase	1% decrease	1% decrease
USD	(1.11)	(0.67)	1.11	0.67
EURO	(0.09)	(0.12)	0.09	0.12
GBP	—	0.05	—	(0.05)
LKR	0.04	0.05	(0.04)	(0.05)
Total	(1.16)	(0.69)	1.16	0.69

ii. Market Risk – Interest Rate

The interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Group has borrowed in a mix of short term and long term loans.

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Variable rate borrowings	1178.54	788.68
Fixed rate borrowings	843.24	1193.82

4.07 FINANCIAL INSTRUMENTS (Contd...)

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of liability outstanding at the end of the reporting period was outstanding for whole the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

Particulars	₹ Crores	
	Impact on Profit / (Loss) and Equity	
	As at March 31, 2018	As at March 31, 2017
Interest rates - increase by 100 basis points *	(11.79)	(7.89)
Interest rates - decrease by 100 basis points *	11.79	7.89

* Assuming all other variables as constant

4.08 RELATED PARTY DISCLOSURES

Relationships

Particulars	Ownership Interest	
	As at March 31, 2018	As at March 31, 2017
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%
Joint Venture of Subsidiary		
TBK Shri Ram Tile Bath Kitchen Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Deziner's Home Private Limited	50%	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited	50%	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Bansal Ceramics Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited	50%	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Tile Home Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Samiyaz Tile Bath Kitchen Private Limited (Joint Venture upto 22.09.2017)	*	50%
TBK Krishna Tile Bath Kitchen Private Limited	50%	50%
TBK Reddy Tile Bath Kitchen Private Limited (Joint Venture upto 28.03.2018)	—	50%
TBK Kadakia's Tile Bath Kitchen Private Limited	50%	50%
TBK Rishi Ceramics Private Limited.	50%	50%
TBK Aishwarya Tile Bath Kitchen Private Limited	50%	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited	50%	50%
TBK Shree Ganesh Traders Private Limited	50%	50%
TBK Vaibhavi Tile Bath Kitchen Private Limited	50%	50%
TBK Home Trends Private Limited	50%	50%
TBK Solan Ceramics Private Limited	50%	50%

* TBK Samiyaz Tile Bath Kitchen Private Limited (Subsidiary w.e.f. September 23, 2017)



4.08 RELATED PARTY DISCLOSURES (Contd...)

Key Management Personnel (KMP)

Executive Directors

Mr. Vijay Aggarwal, *Managing Director*

Mr. Vivek K. Agnihotri, *Executive Director & CEO (Cement)*

Mr. Joydeep Mukherjee, *Executive Director & CEO (HRJ)*

Mr. Atul R. Desai, *Executive Director & CEO (RMC)* [w.e.f. August 29, 2016]

Mr. Venugopal M. Panicker, *Executive Director & CEO (RMC)* [upto August 24, 2016]

Non-executive Directors

Non-Independent

Mr. Rajan B. Raheja, *Director*

Independent

Mr. Shobhan M. Thakore, *Chairman*

Mr. Rajesh G. Kapadia, *Chairman* [upto July 15, 2016]

Ms. Ameeta A. Parpia, *Director*

Dr. Raveendra Chittoor, *Director* [w.e.f. July 3, 2017]

Mr. J. A. Brooks, *Director* [upto November 7, 2017]

Name	Relationship	Nature of transaction	Amount of transaction in FY 2017–18	Amount outstanding as on March 31, 2018 (Payable) / Receivable	₹ Crores	
					Amount of transaction in FY 2016–17	Amount outstanding as on March 31, 2017 (Payable) / Receivable
Windsor Realty Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent paid	1.42	—	1.42	—
		Security deposit	—	1.81	—	1.81
Peninsula Estates Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent paid	0.12	—	0.12	—
		Deposit given	—	0.03	—	0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent paid	0.46	—	0.46	—
		Deposit given	—	0.11	—	0.11
Mr. Atul R. Desai	Executive Director & CEO (RMC)	Deposit given	—	0.06	0.06	0.06
		Rent paid	0.13	—	—	—
Payable to KMPs on account of Managerial Remuneration		Remuneration	Refer table below (*)	(1.20)	—	(0.59)
Receivable from a KMPs on account of excess remuneration paid		Remuneration	—	—	—	1.41
TBK Bansal Ceramics Private Limited	Joint Venture	Loan given / repaid / loan balance	0.25	0.41	0.25	0.16
		Rent received	0.26	—	—	—
		Purchase and services	0.82	—	0.01	—
		Reimbursement of services received	0.30	—	0.01	—
TBK Florance Ceramics Private Limited	Joint Venture	Sales	11.26	1.03	10.37	0.60
		Selling and distribution expenses	1.14	—	1.36	—
		Reimbursement of services paid	0.06	—	0.06	—
		Selling and distribution expenses	0.80	—	0.35	—
TBK Shriram Tile Bath Kitchen Private Limited	Joint Venture	Interest received	0.21	—	0.21	—
		Reimbursement of services received	0.12	—	0.18	—
TBK Rathi Sales Agencies Private Limited	Joint Venture	Reimbursement of services received	0.03	—	0.01	—
		Amount written off / loan balance	0.14	0.40	0.05	0.54

4.08 RELATED PARTY DISCLOSURES (Contd...)

			₹ Crores			
Name	Relationship	Nature of transaction	Amount of transaction in FY 2017-18	Amount outstanding as on March 31, 2018 (Payable) / Receivable	Amount of transaction in FY 2016-17	Amount outstanding as on March 31, 2017 (Payable) / Receivable
TBK Sanitary Sales Private Limited	Joint Venture	Reimbursement of services paid	0.06	—	0.05	—
		Amount written off / loan balance	0.30	0.64	—	0.94
		Selling and distribution expenses	1.01	—	0.99	—
TBK Deepgiri Tile Bath Kitchen Private Limited	Joint Venture	Reimbursement of services received	0.32	—	0.01	—
		Interest received	0.19	—	0.19	—
		Loan given / repaid / loan balance	0.25	1.24	0.25	1.49
TBK Shri Ganesh Traders Private Limited	Joint Venture	Reimbursement of services paid	0.09	—	0.09	—
		Amount written off / loan balance	0.17	0.83	—	1.00
TBK Prathap Tile Bath Kitchen Private Limited	Joint Venture	Amount written off / loan balance	0.15	0.24	0.22	0.39
TBK Solan Ceramics Kitchen Private Limited	Joint Venture	Amount written off / loan balance	0.20	0.03	—	0.23
TBK Krishna Tile Bath Kitchen Private Limited	Joint Venture	Amount written off / loan balance	0.14	0.31	—	0.45
TBK Rajkamal Tile Bath Kitchen Private Limited	Joint Venture	Amount written off / loan balance	0.15	—	0.37	0.15
TBK Deziners Home Private Limited	Joint Venture	Sales	9.70	1.33	8.39	0.94
TBK Rishi Ceramics Private Limited	Joint Venture	Sales	9.83	1.93	10.09	1.81
Others		Interest received / (waived off)	1.03	—	1.70	—
		Purchase and services	0.06	(0.01)	0.02	(0.01)
		Sales	64.98	11.43	68.78	8.97
		Selling and distribution expenses	3.80	(0.06)	5.73	(0.05)
		Amount written off / loan balance	0.03	2.33	0.88	4.25
		Reimbursement of services received	0.34	—	0.06	—
		Reimbursement of services paid	0.05	—	0.48	—

Compensation to key management personnel (*)

Particulars	₹ Crores	
	Amount of transaction in FY 2017-18	Amount of transaction in FY 2016-17
Short-term employee benefits	17.17	10.69
Post-employment benefits	—	—
Other long-term benefits	—	—
Sitting Fees	0.23	0.19
Total Compensation to key management personnel	17.40	10.88

Note : As the post-employment benefits is provided on an actuarial basis for the Group as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.



4.09 SEGMENT INFORMATION

Products and services from which reportable segments derive their revenues.

Information reported to Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on types of goods and services delivered, or provided. No operating segments have been aggregated in arriving at reporting segments in the Group.

Segment Revenue and Results :

The following is an analysis of the Group revenue and results from continuing operations by reportable segments.

Particulars	₹ Crores			
	Segment Revenue		Segment Results	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Cement (a)	2,453.13	2,346.55	279.33	262.08
HRJ	1,725.92	1,882.38	0.36	(63.38)
Share of Profit / (loss) of Joint Ventures	—	—	3.20	1.49
Total HRJ (b)	1,725.92	1,882.38	3.56	(61.89)
RMC (c)	1,376.26	1,274.49	6.32	15.94
Insurance (d)	104.64	78.96	1.09	2.55
(a + b + c + d)	5,659.95	5,582.38	290.30	218.68
Less: Inter Segment Revenue	18.58	19.20	—	—
Total	5,641.37	5,563.18	290.30	218.68
Add: Other un-allocable income net of un-allocable expenditure			24.89	23.56
Less: Finance costs			227.03	216.57
Profit Before Tax			88.16	25.67

Segment Assets and Liabilities :

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
	2018	2017
Segment Assets		
Cement (a)	2,326.13	2,307.38
HRJ	1,800.57	1,697.15
Investment in Joint Ventures accounted under Equity Method	45.35	40.74
Total HRJ (b)	1,845.92	1,737.89
RMC (c)	470.74	413.43
Insurance (d)	400.42	334.20
Total Segment Assets (a + b + c + d)	5,043.21	4,792.90
Unallocated	128.37	105.28
Consolidated Total Assets	5,171.58	4,898.18

4.09 SEGMENT INFORMATION (Contd...)

Particulars	₹ Crores	
	As at March 31, 2018	As at March 31, 2017
Segment Liabilities		
Cement	789.55	696.77
HRJ	680.25	729.65
RMC	291.23	240.49
Insurance	283.58	214.77
Total Segment Liabilities	2,044.61	1,881.68
Unallocated	2,089.11	2,021.57
Consolidated Total Liabilities	4,133.72	3,903.25

For the purposes of monitoring segment performance and allocating resources between segments :

- All assets are allocated to reportable segments other than, other investments, loans, other financial assets. Goodwill is allocated to reportable segments as described in notes.
- All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities.

Particulars	₹ Crores			
	Depreciation and amortisation		Additions to Non-current Assets	
	Year ended March 31, 2018	Year ended March 31, 2017	As at March 31, 2018	As at March 31, 2017
Cement	105.56	108.09	140.82	79.72
HRJ	55.71	60.35	222.05	50.35
RMC	22.54	23.10	17.30	15.51
Insurance	0.55	0.30	1.56	0.67
Total	184.36	191.84	381.73	146.25

4.10 GOVERNMENT GRANTS BY WAY OF TAX SUBSIDY / EXEMPTION SCHEMES

- As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna is entitled for subsidy at the rate of 75% of VAT / CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, the Company has recognised subsidy under the scheme as a percentage of State Goods and Services Tax. Government of Madhya Pradesh is yet to notify extension of support under the GST regime. Subsidy recognised in the Statement of Profit and Loss is ₹ 35.46 Crores (Previous year : ₹ 63.53 Crores).
- As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT / CST paid on sales above the normal production capacity achieved. Subsidy recognised in the Statement of Profit and Loss is ₹ 0.03 Crores (Previous year : ₹ 0.15 Crores). The Company has not recognised any subsidy under the GST regime.
- As per Assam Industries (Tax Exemption) Scheme 2009, RMC Unit at Guwahati is entitled to Sales Tax Exemption subject to prescribed limit, at the rate of 99% of tax payable. Amount recognised for the year is ₹ 0.12 Crores (Previous year : ₹ 0.98 Crores). The Company has not recognised any subsidy under the GST regime.
- The Company started commercial production of Ready Mixed plant in Guwahati, Assam on August 6, 2012 and is entitled for 34% of the excise duty paid on finished goods, since that date. During the current financial year, the Company received refund of ₹ 0.35 Crores (Previous year : ₹ 0.10 Crores). The Company has not recognised any subsidy under the GST regime.



- e. As per Andhra Pradesh Industrial Promotion policy - 2005-2010, Silica Ceramica Private Limited is entitled for subsidy of 50% of VAT/CST paid against sales from their unit. Subsidy recognised for the year is Nil (Previous year : ₹ 0.94 Crores).
- f. Silica Ceramica Private Limited is entitled to receive incentive from Government of Andhra Pradesh for Power, which has been recognized and credited to respective expense amounting to Nil (Previous year : ₹ 0.33 Crores).
- g. Antique Marbonite Private Limited, Coral Gold Tiles Private Limited, Small Johnson Floor Tiles Private Limited and Spectrum Johnson Tiles Private Limited have received grant in the nature of exemption of Import duty such as custom duty, CVD and other duties on capital goods with certain condition related to Export of Goods under EPCG Scheme of Government of India aggregating to ₹ 13.11 Crores (Previous year : Nil).
- h. Milano Bathroom Tiles Fittings Private Limited is entitled for 100 % of CGST, 100% of SGST and 29% of IGST paid through debit in cash ledger account maintained by the Entity as per Jammu and Kashmir Budgetary Support Scheme under Goods and Services Tax amounting to ₹ 0.93 Crores (Previous year : Nil).

4.11 INTERESTS IN OTHER ENTITIES

Subsidiaries :

The Company's subsidiaries at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non—controlling interests		Principal Activities
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Raheja QBE General Insurance Company Limited	India	51%	51%	49%	49%	General insurance business
Milano Bathroom Fittings Private Limited	India	100%	100%	—	—	Manufacturing of bathroom fittings
Silica Ceramica Private Limited	India	99.90%	99.82%	0.10%	0.18%	Manufacturing of Tiles
Antique Marbonite Private Limited	India	50%	50%	50%	50%	
Spectrum Johnson Tiles Private Limited	India	50%	50%	50%	50%	
Sentini Cermica Private Limited	India	50%	50%	50%	50%	
Coral Gold Tiles Private Limited	India	50%	50%	50%	50%	
Small Johnson Floor Tiles Private Limited	India	50%	50%	50%	50%	Trading of Tiles
H. & R. Johnson (India) TBK Limited	India	100%	100%	—	—	
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	—	—	
TBK Samiyaz Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	69.88%	—	30.12%	—	
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	—	—	Operations not yet commenced
RMC Readymix Porselano (India) Limited	India	100%	100%	—	—	

4.11 INTERESTS IN OTHER ENTITIES (Contd....)

Non-controlling interests (NCI) :

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Particulars	₹ Crores			
	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Summarised Balance Sheet :				
Current assets	93.30	87.84	112.54	107.61
Current liabilities	120.57	47.80	118.74	91.28
Net current assets (a)	(27.27)	40.04	(6.20)	16.33
Non-current assets	321.45	247.35	173.13	129.89
Non-current liabilities	62.15	53.80	37.82	22.39
Net non-current assets (b)	259.30	193.55	135.31	107.50
Net assets (a + b)	232.03	233.59	129.11	123.83
Accumulated NCI	113.47	114.22	64.90	62.31

Summarised Statement of Profit and Loss	₹ Crores			
	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited	
	2017-18	2016-17	2017-18	2016-17
Revenue	104.82	79.08	241.43	288.24
Profit for the year	1.19	2.64	5.12	9.44
Other Comprehensive Income / (Loss)	(2.73)	2.74	0.16	0.26
Total Comprehensive Income / (Loss)	(1.54)	5.38	5.28	9.70
Profit / (Loss) allocated to NCI	(0.75)	2.64	2.54	4.91

Summarised cash flows	₹ Crores			
	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited	
	2017-18	2016-17	2017-18	2016-17
Cash flows from operating activities	74.28	14.94	21.40	21.11
Cash flows from investing activities	(75.35)	(11.92)	(52.90)	(18.82)
Cash flows from financing activities	—	—	31.92	(2.31)
Net increase/ (decrease) in cash and cash equivalents	(1.07)	3.02	0.42	(0.02)



4.12 INTERESTS IN JOINT VENTURE AND ASSOCIATE

Set out below is information on the Joint Venture of the Group as at March 31, 2018 which, in the opinion of the management, is material to the Group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Relationship	Place of business	% of Ownership	₹ Crores	
				Carrying amount March 31, 2018	March 31, 2017
Ardex Endura (India) Private Limited	Joint Venture	India	50%	40.24	34.90

Commitments and contingent liabilities	₹ Crores	
	Ardex Endura (India) Private Limited	
	March 31, 2018	March 31, 2017
Share in Joint Venture's contingent liability in respect of VAT / CST, excise and service tax claims not acknowledge as debt	0.46	0.88
Share of capital commitment in Joint Venture	—	0.13

Summarised financial information for Joint Venture :

The tables below provides summarised financial information for the Joint Venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant Joint Venture and not the Group share in the Joint Venture.

Particulars	₹ Crores	
	Ardex Endura (India) Private Limited	
	March 31, 2018	March 31, 2017
Summarised Balance Sheet		
Current assets		
Cash and cash equivalents	1.97	1.26
Other assets	67.73	54.97
Total current assets (a)	69.70	56.23
Total non-current assets (b)	35.34	35.17
Current liabilities		
Financial liabilities (excluding trade payables)	4.46	3.53
Other liabilities	22.25	20.79
Total current liabilities (c)	26.71	24.32
Non-current liabilities		
Financial liabilities (excluding trade payables)	0.38	1.72
Other liabilities	3.36	1.44
Total non-current liabilities (d)	3.74	3.16
Net assets (a + b - c - d)	74.59	63.92

4.12 INTERESTS IN JOINT VENTURE AND ASSOCIATE (Contd...)

	₹ Crores	
Reconciliation to carrying amounts	Ardex Endura (India) Private Limited	
	March 31, 2018	March 31, 2017
Opening net assets	63.92	54.87
Profit for the year	10.59	9.08
Other Comprehensive Income	0.08	(0.03)
Closing net assets	74.59	63.92
Group's share in %	50%	50%
Group's share in INR	37.30	31.96
Goodwill	2.94	2.94
Carrying amount	40.24	34.90

	₹ Crores	
Summarised Statement of Profit and Loss	Ardex Endura (India) Private Limited	
	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	134.65	134.99
Other Income	1.28	1.48
Depreciation and amortisation	3.38	3.29
Interest expense	0.14	0.18
Income tax expense	5.76	4.87
Other expenses	116.06	119.05
Profit for the year	10.59	9.08
Other comprehensive income	0.08	(0.03)
Total Comprehensive Income	10.67	9.05

Individually immaterial Joint Venture and Associate :

In addition to the interests in Joint Venture disclosed above, the Group also has interests in a number of individually immaterial Joint Ventures (through subsidiaries) and Associate that are accounted for using the equity method.

	₹ Crores	
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Aggregate carrying amount of individually immaterial Joint Ventures and Associate	4.87	5.60
Aggregate amount of the Group's share of :		
Profit / (Loss) from operations	(2.10)	(3.03)
Total Comprehensive Income (Loss)	(2.10)	(3.03)

	₹ Crores	
Particulars	March 31, 2018	March 31, 2017
Share of profits/ (losses) from Joint Venture	5.30	4.52
Share of profits/(losses) from subsidiary's Joint Ventures	(2.10)	(3.03)
Total share of profits / (losses) from Joint Venture	3.20	1.49



4.13 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores only for the said Coal Block, as against the expenses of ₹ 6.35 Crores and book value of various assets amounting to ₹ 41.23 Crores incurred by the Company.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The balance amount appears under the head Other Financial Assets (note no. 2.07) and Freehold Land (note no. 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively.

The Company had inter-alia disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As directed by the said High Court, subsequent to the date of the Balance Sheet, the Company has filed a claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

Pending final disposal of the matter, the Company has not recognized excess of compensation over the book value as income as well as loss that may have to be incurred in the event compensation is denied. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order.

4.14 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by the insurance company. The Company had recognised a sum of ₹ 58.94 Crores as receivable. The Company has initiated arbitration proceedings with the party responsible for the construction of blending silo for recovery of damages and is in the process of initiating legal action against the insurance company. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of recovery of the amount recognised as recoverable and accordingly, the Company has continued to recognise the same.

4.15 In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the year ended March 31, 2017 and for the period April 1, 2017 to June 30, 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT). Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 1, 2017, VAT / Central Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly, the same is not recognised as part of sales in terms of Ind AS 18. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in structure of indirect taxes, expenses are also being reported net of taxes. Accordingly, figures for the year ended and as on March 31, 2018 such as sales, expenses, elements of working capital (Inventories, other current assets / current liabilities) and ratios in percentage of sales, are not comparable with the figures of the previous year.

4.16 On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

4.17 In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these assets so as to realise receivables is in progress. The reportable segment in which the Non Current Asset held for sale is presented in RMC in accordance with Ind AS 108.

4.18 BUSINESS COMBINATIONS

The Group has acquired 19.88% stake in TBK Samiyaz Tile Bath Kitchen Private Limited, a Company engaged in business of Trading of tiles and located at Aurangabad in Maharashtra through H & R Johnson (India) TBK Limited for a total cash consideration of ₹ 0.50 Crores. By virtue of agreement and based on principles laid down in Ind AS 110, the said Company is considered as subsidiary with effect from the date of acquisition i.e. September 23, 2017. The details of assets and liabilities acquired and their fair value and non controlling interest as on the date of acquisition are as follows :

Details of purchase consideration, the net assets acquired and goodwill are as follows :

	₹ Crores
Particulars	Amount
Cash and cash equivalents	0.50
Total purchase consideration	0.50
The assets and liabilities recognised as a result of the acquisition are as follows :	
Tangible assets	0.27
Other current assets	2.66
Trade payables	(0.71)
Borrowings	(0.53)
Other liabilities	(0.62)
Deferred tax liabilities	0.07
Net identifiable assets acquired	1.14
Calculation of Capital reserve :	
Consideration transferred	0.50
Add : Non-controlling interests in the acquired entity	0.32
Less : Acquisition date fair value of previously held equity interest	0.57
Less : Net identifiable assets acquired	0.23
Capital reserve	0.02



4.19 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

March 31, 2018

₹ Crores

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated total Comprehensive Income	Amount
Parent	50.32%	659.48	117.71%	64.74	7.44%	(0.23)	124.27%	64.51
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	1.97%	25.88	10.42%	5.73	1.29%	(0.04)	10.96%	5.69
Silica Ceramica Private Limited	2.68%	35.12	(-) 69.80%	(38.39)	1.29%	(0.04)	(-) 74.03%	(38.43)
H. & R. Johnson (India) TBK Limited *	1.01%	13.18	(-) 10.67%	(5.87)	(-) 1.29%	0.04	(-) 11.23%	(5.83)
RMC Readymix Porcelano (India) Limited	—	0.05	—	—	—	—	—	—
Antique Marbonite Private Limited *	4.90%	64.22	4.74%	2.61	(-) 2.59%	0.08	5.18%	2.69
Small Johnson Floor Tiles Private Limited *	1.40%	18.35	4.05%	2.23	2.59%	(0.08)	4.14%	2.15
Spectrum Johnson Tiles Private Limited	1.75%	22.87	1.67%	0.92	0.97%	(0.03)	1.71%	0.89
Sentini Cermica Private Limited	2.71%	35.52	6.98%	3.84	0.65%	(0.02)	7.36%	3.82
Coral Gold Tiles Private Limited	0.58%	7.57	1.42%	0.78	0.65%	(0.02)	1.47%	0.76
Raheja QBE General Insurance Company Limited	9.03%	118.33	1.11%	0.61	45.31%	(1.40)	(-) 1.52%	(0.79)
Non-controlling interests in all subsidiaries								
Indian	20.80%	272.67	22.73%	12.50	44.98%	(1.39)	21.40%	11.11
Joint ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited *	2.85%	37.29	9.64%	5.30	(-) 1.29%	0.04	10.29%	5.34
Total	100%	1,310.53	100%	55.00	100%	(3.09)	100%	51.91

4.19 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III (Contd...)

March 31, 2017

₹ Crores

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated total Comprehensive Income	Amount
Parent	49.35%	624.00	133.48%	19.02	(-) 279.77%	(2.35)	110.47%	16.67
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	1.60%	20.19	29.89%	4.26	—	—	28.23%	4.26
Silica Ceramica Private Limited	3.07%	38.81	(-) 288.98%	(41.18)	(-) 7.14%	(0.06)	(-) 273.29%	(41.24)
H. & R. Johnson (India) TBK Limited *	1.22%	15.42	(-) 26.60%	(3.79)	(-) 7.14%	(0.06)	(-) 25.51%	(3.85)
RMC Readymix Porselano (India) Limited	—	0.05	—	—	—	—	—	—
Antique Marbonite Private Limited *	4.79%	60.54	31.86%	4.54	21.43%	0.18	31.28%	4.72
Small Johnson Floor Tiles Private Limited *	1.28%	16.20	23.16%	3.30	11.90%	0.10	22.53%	3.40
Spectrum Johnson Tiles Private Limited *	1.74%	21.98	20.42%	2.91	11.90%	0.10	19.95%	3.01
Sentini Cermica Private Limited	3.15%	39.85	17.61%	2.51	(-) 1.19%	(0.01)	16.57%	2.50
Coral Gold Tiles Private Limited	0.54%	6.81	5.33%	0.76	(-) 7.14%	(0.06)	4.64%	0.70
Raheja QBE General Insurance Company Limited	9.42%	119.12	9.33%	1.33	166.67%	1.40	18.09%	2.73
Non-controlling interests in all subsidiaries								
Indian	21.31%	269.42	112.64%	16.05	192.86%	1.62	117.09%	17.67
Joint Ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited*	2.53%	31.96	31.86%	4.54	(-) 2.38%	(0.02)	29.95%	4.52
Total	100%	1,264.35	100%	14.25	100%	0.84	100%	15.09

* Based on consolidated financial statement of the respective entities.

4.20 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

As per our report of even date

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah

Partner

Membership No. 039569

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Vijay Aggarwal

(Managing Director)

Joydeep Mukherjee

(Executive Director & CEO - HRJ)

Manish Bhatia

(Chief Financial Officer)

Ameeta A. Parpia

(Director)

Vivek K. Agnihotri

(Executive Director & CEO - Cement)

Atul R. Desai

(Executive Director & CEO - RMC)

Aneeta S. Kulkarni

(Company Secretary)



FORM AOC-1

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

Statement containing salient features of the financial statements of Subsidiaries / Joint Ventures/ Associates

Part 'A' Subsidiaries

₹ Crores

Sr. No	Name of the Subsidiaries	Milano Bathroom Fittings Private Limited	Silica Ceramica Private Limited	H. & R. Johnson (India) TBK Limited *	RMC Readymix Porcelano (India) Limited \$	Raheja QBE General Insurance Company Limited
1	Date when subsidiary was acquired	26.06.2010	11.09.2009	01.04.2009**	01.04.2009**	10.12.2007
2	Reporting Currency	INR	INR	INR	INR	INR
3	Share Capital	0.72	61.61	1.61	0.05	207.00
4	Reserves & Surplus	25.15	(11.19)	12.76	#	25.03
5	Total Assets	43.87	301.45	28.29	0.05	414.75
6	Total Liabilities	18.00	251.03	13.92	#	182.72
7	Investments	0.01	—	4.87	—	344.23
8	Turnover	54.56	135.63	42.84	—	104.64
9	Profit before Taxation	5.74	(36.94)	(5.44)	#	1.79
10	Provision for taxation	0.01	1.49	0.18	#	0.60
11	Profit after taxation (before OCI)	5.73	(38.43)	(5.62)	#	1.19
12	Other Comprehensive Income and Minority share	(0.04)	(0.04)	0.04	—	(2.73)
13	Profit/Loss for the year (after OCI) - Total Comprehensive Income attributable to the owners of the company	5.69	(38.47)	(5.58)	#	(1.54)
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	100%	99.90%	100%	100%	51%

Part 'B': Joint Ventures and Associate

Sr. No	Name of Joint Ventures and Associate	Sentini Cermica Private Limited	Spectrum Johnson Tiles Private Limited	Antique Marbonite Private Limited *	Small Johnson Floor Tiles Private Limited*	Coral Gold Tiles Private Limited	Ardex Endura (India) Private Limited*	Prism Power and Infrastructure Private Limited \$
1	Latest audited Balance Sheet date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
2	Date when Joint Ventures/Associate was acquired	01.04.2009**	01.04.2009**	01.04.2009**	18.11.2011	04.11.2015	01.04.2009**	08.02.2006
3	Shares of Joint Ventures/ Associate held by the company on the year end							
	— Number	20,00,000	21,65,388	30,09,000	20,00,000	26,00,000	65,00,000	4,900
	— Amount of investment in Joint Ventures/ Associate	10.00	8.03	15.08	13.30	5.46	6.50	#
	— Extend of Holding %	50%	50%	50%	50%	50%	50%	49%

Part 'B' : Joint Ventures and Associate

Sr. No	Name of Joint Ventures and Associate	Sentini Cermica Private Limited	Spectrum Johnson Tiles Private Limited	Antique Marbonite Private Limited *	Small Johnson Floor Tiles Private Limited*	Coral Gold Tiles Private Limited	Ardex Endura (India) Private Limited*	Prism Power and Infrastructure Private Limited \$
4	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate
5	Reason why the Joint Ventures/Associate is not consolidated	N.A	N.A	N.A	N.A	N.A	N.A	Not Operational and not material
6	Networth attributable to Shareholding as per latest audited Balance Sheet	35.52	22.87	64.22	18.35	7.57	37.29	#
7	Profit/Loss for the year (after OCI) - Total Comprehensive Income attributable to the owners of the company							
	i. Considered in Consolidation	7.64	1.78	5.38	4.30	1.52	5.34	N.A.
	ii. Not Considered in Consolidation	Refer Note no. 5					5.34	N.A.

* Based on Consolidated financial statements of respective entities

\$ Entities yet to commence operations

Denotes amount less than ₹ 50,000

** The appointed date of amalgamation of erstwhile H. & R. Johnson (India) Limited with the Company

Notes :

- (1) None of the entities have been liquidated or sold during the year.
- (2) The reporting period of all the subsidiaries is March 31, 2018.
- (3) Investments excludes investment in subsidiaries.
- (4) On March 21, 2018, the Company has acquired additional 0.08% holding in Silica Ceramica Private Limited.
- (5) As per the principles of Ind-AS, these entities are considered as Subsidiary therefore total profit of the said entities have been considered for consolidation.

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)

Joydeep Mukherjee
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

Place : Mumbai
Date : May 29, 2018



NOTICE

NOTICE IS HEREBY GIVEN that the Twenty-sixth Annual General Meeting of the Company will be held on Wednesday, August 8, 2018 at 10.00 a.m. at National Institute for Micro, Small and Medium Enterprises (ni-msme), Auditorium Hall, 2nd Floor, Training Block, Yousufguda, Hyderabad - 500 045, Telangana, to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Aggarwal (DIN : 00515412), who retires by rotation and being eligible, offers himself for re-appointment as Director.
3. To appoint a Director in place of Mr. Vivek K. Agnihotri (DIN : 02986266), who retires by rotation and being eligible, offers himself for re-appointment as Director.

4. Appointment of Auditors

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

“RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as may be amended from time to time and pursuant to the recommendations of the Audit Committee, M/s. G. M. Kapadia & Co., Chartered Accountants, (Firm Registration No. 104767W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the thirty-first AGM of the Company to be held in the year 2023, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Special Business :

5. Re-appointment of Mr. Vivek K. Agnihotri as Executive Director & CEO (Cement)

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

“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as may be amended from time to time and the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, approval of the Company be and is hereby accorded to the re-appointment of Mr. Vivek K. Agnihotri (DIN : 02986266) as Executive Director & CEO (Cement) of the Company, for the period, terms as to remuneration and conditions as set out hereunder and in the Agreement to be entered into by the Company with him, submitted to this Meeting and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with full liberty to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include the Nomination & Remuneration Committee of the Board), in accordance with the statutory limits/approvals as may be applicable, to revise/alter/modify/amend/change the terms and conditions of the Agreement, from time to time, as may be agreed to by the Board and Mr. Agnihotri.

1. Period :

Three years with effect from August 17, 2018.

2. Remuneration :

- (i) Remuneration, by way of salary, perquisites, incentives and allowances, and commission, which together shall not, in any financial year, exceed ₹ 5 Crores (Rupees Five Crores only), as may be decided by the Board from time to time.
- (ii) Company's contribution to provident fund, superannuation fund or annuity fund as per rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity and encashment of leave at the end of the tenure, payable as per the rules of the Company, shall not be included in the computation of limits for the remuneration and perquisites aforesaid.”

“RESOLVED FURTHER THAT notwithstanding anything herein, in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Agnihotri as Executive Director & CEO (Cement) of the Company, the above mentioned remuneration be paid to Mr. Agnihotri, as minimum remuneration.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution in its absolute discretion, deem necessary, proper or desirable without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. To ratify remuneration of the Cost Auditors of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. D. C. Dave & Co., Cost Accountants, (Firm Registration No. 000611) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, be paid a remuneration of ₹ 8,25,000/-, in addition to applicable taxes and reimbursement of out-of-pocket expenses.”

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

7. Private Placement of Non-convertible Debentures and/or other Debt Securities

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

“RESOLVED THAT in supersession of the Special Resolution passed at the 25th Annual General Meeting of the Company held on August 9, 2017 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, Securities and Exchange Board of

India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended and subject to other applicable Rules, Regulations, Guidelines, Notifications and Circulars issued by Securities and Exchange Board of India, the Reserve Bank of India, the Government of India, Ministry of Corporate Affairs, Registrar of Companies, the Stock Exchanges, Articles of Association of the Company and subject to receipt of necessary approvals as may be applicable and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals which may be agreed to by the Board of Directors of the Company (‘the Board’, which term shall be deemed to include any Committee thereof which the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this resolution), the approval of the Company, be and is hereby accorded to the Board for making offer(s) or invitation(s) to subscribe to secured/unsecured Non-convertible Debentures (‘NCDs’) including but not limited to Bonds, and/or other Debt Securities, on Private Placement basis, in one or more tranches, to such person(s)/Financial Institution(s)/Bank(s)/Mutual Fund(s)/Body Corporate(s)/Company(ies)/any other entities on such terms and conditions as the Board may deem fit during a period of one year from the date of passing of this resolution upto an aggregate amount of ₹ 1250,00,00,000/- (Rupees Twelve Hundred Fifty Crores only) within the overall borrowing limits of the Company, as approved by the members, from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange or settle or vary/ modify the terms and conditions on which all such monies are to be borrowed from time to time, as to interest, premium, repayment, prepayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or any regulatory bodies and to delegate all or any of the powers conferred herein to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company and/or in such manner as it may deem fit.”



8. Commission to Directors

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

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and any other regulation and subject to such other approvals/permissions as may be necessary, a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, in addition to the sitting fees for attending the meetings of the Board and Committee(s) thereof, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include the Nomination & Remuneration Committee of the Board) and such payments shall be made in respect of the profits of the Company for each year, for a period of five years, commencing April 1, 2019.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as desirable to give effect to this resolution.”

9. Increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to subsidiary(ies)/joint venture(s)/associate company(ies)/other body corporate(s)

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

“RESOLVED THAT in supersession of Special Resolution passed by the shareholders vide Postal Ballot on June 20, 2014 and subject to Section 186 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014, any amendments/ enactments/ re-enactments thereof as are applicable, Articles of Association, subject to such other approvals, consents, sanctions and permissions as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee(s) which the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this resolution) to do the

following transactions, from time to time and in one or more tranches, for such amount(s) as the Board may in its absolute discretion decide :

- i. to acquire by way of subscription, purchase or otherwise the securities of any of its subsidiary(ies)/ joint venture(s)/associate company(ies)/other body corporate(s), and/or
- ii. to give loans to any of its subsidiary(ies)/joint venture(s)/associate company(ies)/person/other body corporate(s), and/or
- iii. to give guarantees or provide security in connection with loan(s) given by any other body corporate/ person to any of its subsidiary(ies)/joint venture(s)/ associate company(ies)/other body corporate(s),

subject, however, that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons, subsidiary(ies)/joint venture(s)/associate company(ies)/other body corporate(s), along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 400 Crores (Rupees Four Hundred Crores only) over and above the limits for such investments/loans/ guarantees laid down by the Act.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned transactions including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits, take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business mentioned under Item Nos. 5 to 9 above, is annexed hereto. Details of the Directors seeking re-appointment/appointment under Item 2, 3 and 5 of the Notice as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are included in the Notice.

2. **A member entitled to attend and vote at the Annual General Meeting (the 'AGM'/'Meeting') is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, in order to be effective, be deposited at the Registered Office of the Company, duly completed and signed, not later than forty-eight hours before the commencement of the Meeting.**
3. **A person can act as a proxy on behalf of not more than fifty members holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
4. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signature(s) authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Members/proxies are requested to bring duly filled attendance slip(s) sent herewith to attend the Meeting.
6. The Register of Members and Transfer Books of the Company will remain closed from Thursday, August 2, 2018 to Wednesday, August 8, 2018 (both days inclusive).
7. Members are requested to send all communication relating to shares to the Company's Registrar & Transfer Agent - Karvy Computershare Private Limited ('Karvy'), Unit : Prism Johnson Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).
8. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Nomination facility for shares is available for Members. The prescribed format, in this regard, can be obtained from Karvy.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Rules made thereunder, copies of the Annual Report, Notice of the 26th AGM and instructions for e-voting along with the Attendance Slip and Proxy Form are being sent by electronic mode only to all the Members whose email addresses are registered with the Company/Depository Participant(s)

for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copy of the Annual Report is being sent by the permitted mode. Members holding shares in physical form can send their email address for registration to einward.ris@karvy.com quoting the Folio Number and Name of the Company. The Notice of the 26th AGM and the Annual Report will also be available on the Company's website www.prismjohnson.in for Members to download. Even after registering for e-communication, Members are entitled to receive such communication in printed form, upon making a request in writing for the same.

11. The Ministry of Corporate Affairs had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash/claim their respective dividend during the prescribed period. The details of the unpaid/unclaimed amounts lying with the Company as on August 9, 2017 (date of last AGM) are available on the website of the Company www.prismjohnson.in/investors/IEPF and on Ministry of Corporate Affairs' website.
- The Members whose dividend/shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. Members who have not claimed unpaid dividends are requested to approach the Company/Karvy for claiming the same as early as possible.
12. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN), proof of identity/address and bank details by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit the said documents to their Depository Participant(s). Members holding shares in physical form shall submit the documents to Karvy.
13. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day, except Saturdays, up to the date of the Meeting.



14. Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
15. Members desiring any information relating to the accounts are requested to write to the Company, well in advance, so as to enable the management to keep the information ready.
16. In compliance with the provisions of Section 108 and other applicable provisions of the Act, if any, the Companies (Management and Administration) Rules, 2014 as amended, the Secretarial Standards - 2 issued by the Institute of Company Secretaries of India and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically on all resolutions set forth in this Notice from a place other than the venue of the Meeting ('remote e-voting').

The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Wednesday, August 1, 2018, (**'cut-off date'**) are entitled to vote on the resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach Karvy for issuance of the User ID and Password for exercising their right to vote by electronic means.

The facility for voting through electronic voting system/ ballot paper will be made available at the AGM and Members attending the Meeting who have not already cast their vote by remote e-voting shall be eligible to vote at the Meeting.

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

The Company has appointed Ms. Savita Jyoti, M/s. Savita Jyoti Associates, Practising Company Secretary, Hyderabad as the Scrutiniser to scrutinise the entire e-voting process, in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

The Company has entered into an arrangement with Karvy for facilitating e-voting for AGM.

The instructions for e-voting are as under :

A. In case a Member receives Notice of AGM through email (for Members whose e-mail addresses are registered with the Company/ Depositories):

- i. Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii. Enter the login credentials i.e. User ID and Password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID.

However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.

- iii. After entering the details appropriately, click on "LOGIN".
- iv. You will reach the 'Password Change' menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the EVENT (e-voting Event Number) i.e. **Prism Johnson Limited**.
- vii. On the voting page, the number of shares (which represents the number of votes) as held by the member will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. **Once you confirm, you shall not be allowed to modify your vote subsequently.** During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPEG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through email at sja.pjltd@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "CorporateName_EVENT No."

- xi. The Portal will remain open for voting from **August 3, 2018 (9.00 a.m.) till August 7, 2018 (5.00 p.m.)**.
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "Download" section of <https://evoting.karvy.com> or contact Karvy on Toll Free No. 1800 345 4001 for any further clarifications.

B. In case a Member receives the physical copy of the Notice of AGM and Attendance Slip (for Members whose email addresses are not registered with the Company/Depositories) :

- i. Password is provided in the enclosed Attendance Slip : EVEN (e-voting Event Number) of Prism Johnson Limited, User ID and password.
- ii. Please follow steps from Sl. No. (i) to (xii) under heading 'A' above to vote through e-voting platform.

C. General Instructions :

- i. The e-voting period commences from 9.00 a.m. on August 3, 2018 and ends at 5.00 p.m. on August 7, 2018. During this period, the Members of the Company, holding shares either in physical form or in demat form, as on the cut-off date, may cast their vote

electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

- ii. The voting rights shall be as per the number of equity shares held by the Member(s) as on Wednesday, August 1, 2018, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- iii. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iv. Subject to the receipt of requisite number of votes, the resolutions shall be deemed as passed on the date of the Meeting.
- v. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.prismjohnson.in and on Karvy's website www.evoting.karvy.com and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.
- vi. A Route Map along with prominent landmark to reach the venue of AGM is annexed to this notice.

By Order of the Board

Place : Mumbai
Date : July 5, 2018

Aneeta S. Kulkarni
Company Secretary

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out the material facts relating to Item Nos. 5 to 9 mentioned in the accompanying Notice dated July 5, 2018.

Item No. 3 & 5

The Board of Directors of the Company at its meeting held on May 29, 2018 have, on the recommendation of the Nomination & Remuneration Committee, re-appointed Mr. Vivek K. Agnihotri (DIN : 02986266) as Executive Director & CEO (Cement) of the Company for a period of three years with effect from August 17, 2018.

Statement as per proviso (iv) of Part (B) of Part II of Schedule V to the Companies Act, 2013 and information pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

I. GENERAL INFORMATION	
1. Nature of Industry	Manufacture of Cement, Tiles, Bath and Ready Mixed Concrete.
2. Date or expected date of commencement of commercial production	The Company was incorporated on March 26, 1992.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable



4. Financial performance based on given indicators	₹ Crores			
	Particulars	2017-18	2016-17	2015-16
	Total Revenue	5,586.16	5,555.24	5,831.13
	Total Expenses	5,481.10	5,527.11	5,849.40
	Exceptional Items	—	—	(3.61)
	Profit/(Loss) Before Tax	105.06	28.13	(21.88)
	Profit After Tax	70.41	17.51	8.11
	Dividend Rate	—	—	—
5. Foreign investments or collaborators, if any	There are no foreign collaborators. The Company is listed on BSE Limited and the National Stock Exchange of India Limited. The foreign holding in the Company as on March 31, 2018 is 6.91%.			
II. INFORMATION ABOUT THE APPOINTEE				
1. Background details	Mr. Vivek K. Agnihotri, 58 years, was appointed as Executive Director & CEO (Cement) on the Board of Directors since August 17, 2015. Mr. Agnihotri has a good and varied experience in the cement industry of over 30 years. Mr. Agnihotri was the Chief Corporate Services Officer at Ambuja Cement Limited, Mumbai in charge of corporate strategy, business risk management, M&A, CSR, land, environment, sustainability, alignment with group companies ACC/Lafarge/Holcim and special projects (coal, greenfield, etc.) prior to joining the Company. He joined ACC in 1987 and held a series of assignments in sales, marketing and commercial services and as Business Head before holding position of Chief Corporate Services Officer since January 2015. Prior to his joining ACC, Mr. Agnihotri has worked with DCM Limited. Mr. Agnihotri has done B.A. - Economics (Hons) and MBA - Marketing from University of Delhi.			
2. Past Remuneration	The remuneration paid to Mr. Agnihotri for the year ended March 31, 2018 is ₹ 3.21 Crores.			
3. Job profile and his suitability	Mr. Agnihotri, as the Executive Director & CEO (Cement) of the Company, functions with special focus on the Cement Division under the overall superintendence and guidance of the Board of Directors and the Managing Director of the Company. In view of his qualifications and varied experience, the Board has bestowed the above responsibilities on Mr. Agnihotri.			
4. Remuneration proposed	To be decided by the Nomination & Remuneration Committee/Board of Directors from time to time within the overall limits as approved by the shareholders.			
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the general industry and the specific company profile, the remuneration decided by the Nomination & Remuneration Committee/Board of Directors to be paid to Mr. Agnihotri is in line with industry trends and is fair and reasonable.			
6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Except for the remuneration payable to him, Mr. Agnihotri has no direct or indirect pecuniary relationship with the Company or with any of the Directors or managerial personnel of the Company. The Company does not pay any bonus, severance fee and no stock option is granted to Mr. Agnihotri.			
III. OTHER INFORMATION				
1. Reasons of loss or inadequate profits	For the year 2017-18, the Company earned net profit after tax of ₹ 70.41 Crores. However, the Company has made inadequate profits primarily due to GST and RERA implementation, sand mining ban and increase in cost of commodities which have adversely impacted the margins.			
2. Steps taken or proposed to be taken for improvement	The Company is continuously taking all efforts to improve its performance like cost rationalisation, strengthening distribution network and merchandising, better management of working capital, etc.			
3. Expected increase in productivity and profits in measurable terms	All efforts are being undertaken to ensure an improved performance and increase the profitability of the Company.			
IV. DISCLOSURES				
1. The appointment may be terminated at any time by either party giving six months' notice of such termination to the other party. 2. Mr. Agnihotri does not hold any securities of the Company. 3. Mr. Agnihotri does not have any interest in the capital of the Company or any of its subsidiaries directly or indirectly or through any other statutory structures and does not have any direct or indirect interest nor is he related to the directors or promoters of the Company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment. 4. He possesses post-graduate level qualification with expertise and specialised knowledge in the field in which the Company operates. 5. He has attended five meetings of the Board during the year ended March 31, 2018.				

The draft Agreement to be entered into with Mr. Agnihotri is available for inspection at the Company's Registered Office at Hyderabad and at the Corporate Office at Mumbai, on all working days between 11.00 a.m. to 1.00 p.m., except Saturdays, up to the date of the Annual General Meeting.

The Directors are of the view that the Company would continue to be benefited by the experience and guidance of Mr. Agnihotri and therefore recommend adoption of the Special Resolution at Item No. 5.

Except for Mr. Agnihotri who may be deemed to be interested in the appointment, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 at a remuneration of ₹ 8,25,000/-, in addition to applicable taxes and reimbursement of out-of-pocket expenses.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

The Directors recommend the passing of the Ordinary Resolution at Item No. 6.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 7

As per Section 42 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to Non-convertible Debentures ('NCDs') on a private placement basis, is required to obtain the prior approval of Members by way of a special resolution. Such an approval by way of special resolution may be obtained once a year for all the offers and invitations made for such NCDs during the year.

NCDs issued on private placement basis are a significant source of borrowings for the Company. The borrowings of the Company as on the date of notice consists of secured NCDs and Fund & Non-fund based Credit Facilities from Banks by way of Cash Credit/Overdraft/Short Term Loan/WCDL/LC/BG, etc. The Company has, as on date, borrowed ₹ 725 Crores by way of NCDs at competitive costs due to which the average cost of borrowing of the Company has reduced. The Company seeks to pass an

enabling resolution to borrow funds in addition to the existing borrowing to meet its requirement of funds for repayment/reduction of high cost borrowings, working capital requirements and general corporate purposes.

The Members had, at the AGM held on August 9, 2017, approved a similar resolution which was valid for a year. Therefore, the approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 7, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Directors recommend the passing of the Special Resolution at Item No. 7.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 8

The Shareholders had, at the AGM held on July 31, 2014, approved payment of commission to such Non-executive Directors ('NEDs') as may be decided by the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include Nomination & Remuneration Committee of the Board) for a period of 5 years commencing from April 1, 2014, in such proportions subject to such ceiling(s) and in such manner as the Board may decide.

The Companies Act, 2013, the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and dynamic business environment have placed more onerous responsibilities on the Non-executive Directors, particularly the Independent Directors. This requires the NEDs to play a more pro-active role along with greater involvement in Board's decision making process. Considering the above, approval of Members is sought for authorising the Board to pay commission to such NEDs as may be decided by the Board for a period of 5 years commencing from April 1, 2019, in such proportions, subject to such ceiling(s) and in such manner as the Board may decide. The aggregate of commission to all such Directors shall not exceed 1% of the net profits of the Company for that year as computed pursuant to the provisions of the Section 198 of the Companies Act, 2013.

The above payment of commission will be in addition to the sitting fees payable to them for attending the meetings of the Board and Committee(s) thereof.

Under Section 197 of the Companies Act, 2013, such payment requires approval of Members by way of a Special Resolution.

Mr. Shobhan M. Thakore, Mr. Rajan B. Raheja, Ms. Ameeta A. Parpia and Dr. Raveendra Chittoor being Non-executive Directors may be deemed to be concerned or interested in this resolution to the extent of commission that may be payable to them from time to time. No other Director and Key Managerial Personnel of



the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

The Directors recommend the passing of the Special Resolution at Item No. 8.

Item No. 9

The Company operates some of its businesses through subsidiary, joint venture and associate companies for which there is an ongoing requirement for funds. The funding obligations of such subsidiary, joint venture and associate companies are funded, wherever necessary, out of the Company's cashflows. Also, various loans availed by subsidiaries/joint ventures require the holding company to provide security or guarantee.

Section 186 of the Act provides that where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified therein, prior approval of the shareholders by means of passing a Special Resolution shall be necessary.

The shareholders had, by a special resolution passed by Postal Ballot dated June 20, 2014, *inter alia*, approved the giving of any loan or guarantee or providing any security or the acquisition of the Company's subsidiaries/joint ventures/associates pursuant to Section 186 of the Act up to ₹ 250 Crores over and above the limits mentioned therein and delegated the authority to the Board to decide the terms of such transactions.

As a measure of achieving greater financial flexibility and to enable the Company to enter into appropriate transactions with its subsidiaries/joint ventures/associates in meeting their ongoing funding requirements, it is proposed to increase the limits u/s 186(2) of the Act to ₹ 400 Crores over and above the limits as calculated within the provisions of Section 186 of the Act.

As on date of this notice, Mr. Shobhan M. Thakore, Mr. Rajan B. Raheja, Mr. Vijay Agarwal and Ms. Ameeta A. Parpia, Directors of the Company, may be concerned or interested, directly or indirectly, in the resolution to the extent of their directorship in one of the subsidiaries. Mr. Manish Bhatia, Chief Financial Officer and Ms. Aneeta S. Kulkarni, Company Secretary (Key Managerial Personnel) may also be interested to the extent of their directorship in one of the joint ventures/subsidiaries/associate.

None of the other Directors or any Key Managerial Personnel and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

The Directors recommend the passing of the Special Resolution at Item No. 9

Details of Director seeking re-appointment as required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 :

Mr. Vijay Aggarwal, 50 years, was appointed as Managing Director on the Board of Directors since March 3, 2010 and has earlier been a Director on the Board as an alternate to Mr. Satish B. Raheja. He was the Managing Director and CEO of the erstwhile H. & R. Johnson (India) Limited since 1998, before it was amalgamated with the Company.

Mr. Aggarwal graduated from IIT Delhi with a B. Tech in Electrical Engineering and completed PGDM from IIM, Ahmedabad, where he was conferred the Gold Medal for being the first ranker and K. V. Srinivas Gold Medal for being the best all-rounder. He started his career with SBI Capital Markets Limited and has several years of experience in the manufacturing industry.

Directorships in other Listed Companies :

Aptech Limited.

Exide Industries Limited.

Chairmanships/Memberships of Board Committees in other Listed Companies :

Audit Committee :

Aptech Limited - *Chairman*

Exide Industries Limited - *Member*

In the past Mr. Aggarwal has been a part of various associations in different capacities. He has served as the Chairman of Indian Council of Ceramic Tiles and Sanitaryware (ICCTAS), as Vice-Chairman of Ceramics and Allied Products (including Refractories) Panel at Capexil and as Member of the Managing Committee of Bombay Chamber of Commerce and Industry.

Mr. Aggarwal does not hold any securities of the Company. He does not have any interest in the capital of the Company or any of its subsidiaries directly or indirectly or through any other statutory structures and does not have any direct or indirect interest nor is he related to the directors or promoters of the Company or any of its subsidiaries.

Mr. Aggarwal has attended six Board meetings during the year ended March 31, 2018.

By Order of the Board

Place : Mumbai

Date : July 5, 2018

CIN : L26942TG1992PLC014033

Registered Office :

305, Laxmi Niwas Apartments,
Ameerpet, Hyderabad - 500 016

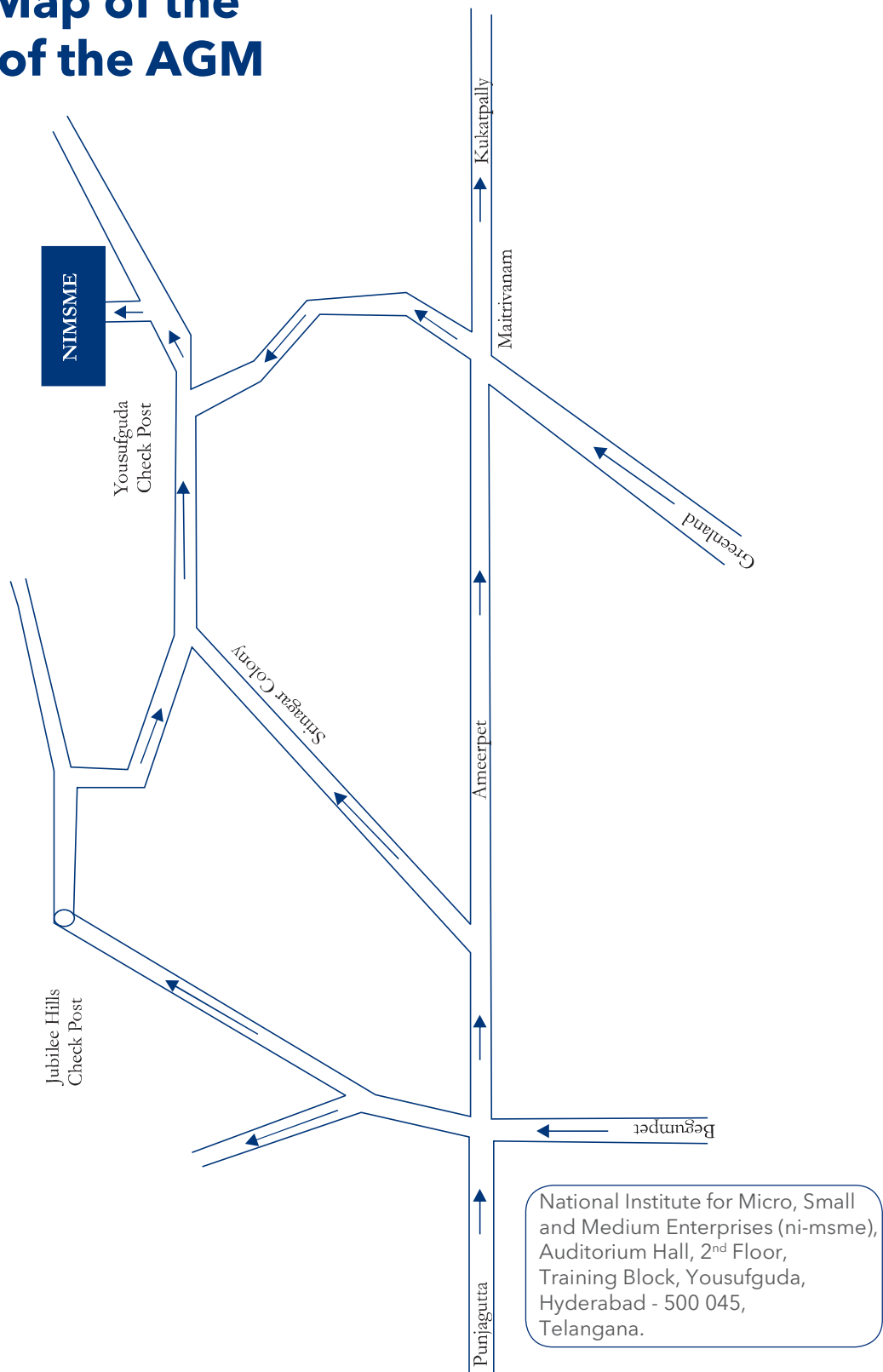
Phone : +91-40-23400218; Fax : +91-40-23402249

email : investor@prismjohnson.in

website : www.prismjohnson.in

Aneeta S. Kulkarni
Company Secretary

Route Map of the Venue of the AGM



PRISM JOHNSON LIMITED

(Formerly Prism Cement Limited)

CIN : L26942TG1992PLC014033

Registered Office : 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016

Phone : +91-40-23400218; Fax : +91-40-23402249; email : investor@prismjohnson.in; website : www.prismjohnson.in

FORM No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./Client ID : DP ID :

I/We, being the member(s) holding shares of Prism Johnson Limited, hereby appoint

1. Name : E-mail ID :

Address :

Signature :

or failing him/her

2. Name : E-mail ID :

Address :

Signature :

or failing him/her

3. Name : E-mail ID :

Address :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on August 8, 2018 at 10.00 a.m. at National Institute for Micro, Small and Medium Enterprises (ni-msme), Auditorium Hall, 2nd Floor, Training Block, Yousufguda, Hyderabad - 500 045, Telangana, and at any adjournment thereof in respect of such resolutions as are indicated below :

Ordinary Business		FOR *	AGAINST *
1.	Adoption of Audited Financial Statements for the year ended March 31, 2018.		
2.	Re-appointment of Mr. Vijay Aggarwal, a Director retiring by rotation.		
3.	Re-appointment of Mr. Vivek K. Agnihotri, a Director retiring by rotation.		
4.	Appointment of Auditors.		
Special Business		FOR *	AGAINST *
5.	Re-appointment of Mr. Vivek K. Agnihotri as Executive Director & CEO (Cement).		
6.	Ratify remuneration of the Cost Auditors of the Company.		
7.	Private Placement of Non-convertible Debentures and/or other Debt Securities.		
8.	Commission to Directors.		
9.	Increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities.		

Signed this day of 2018

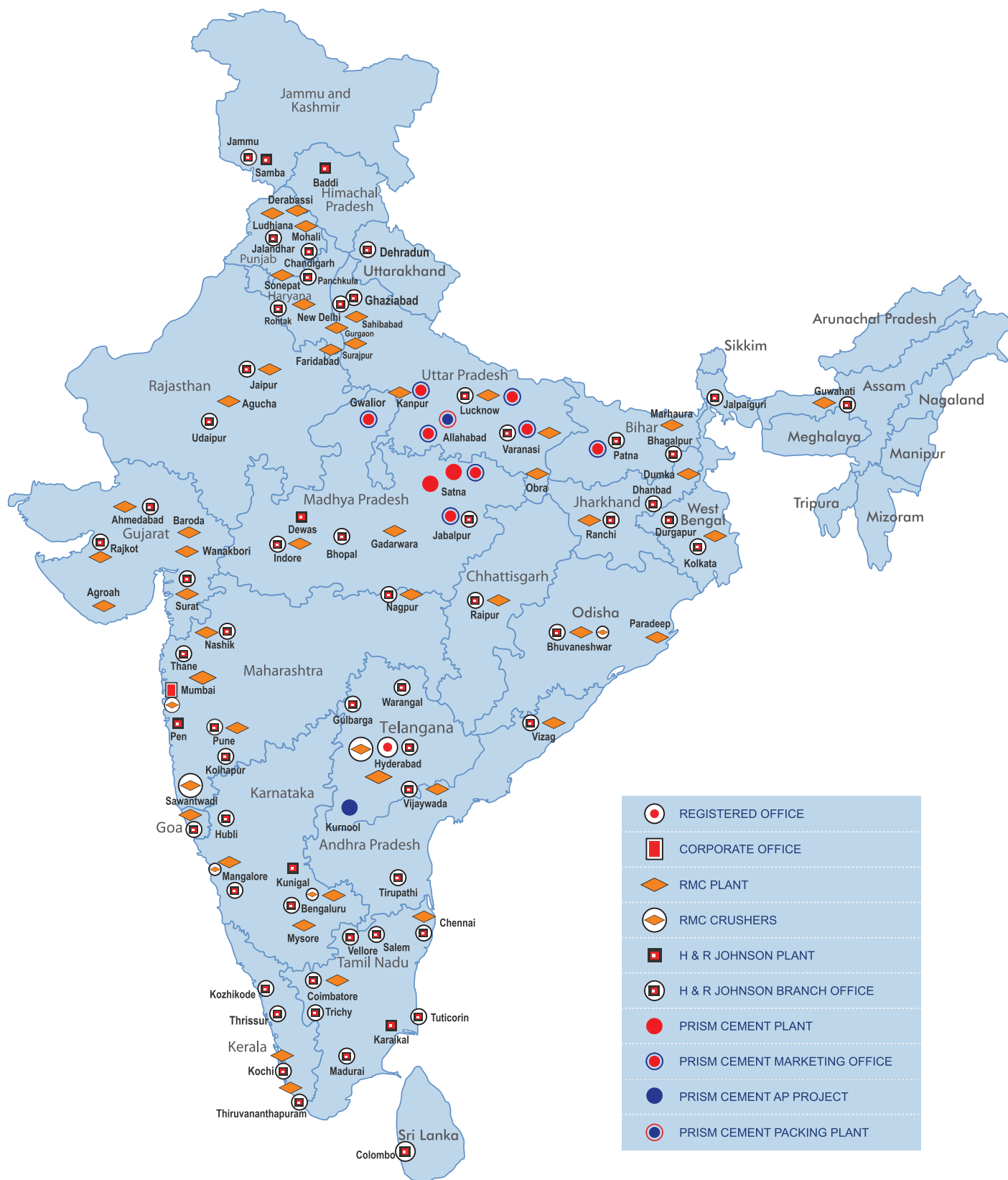
Signature of shareholder.....

Signature of proxyholder(s).....

Affix
Revenue
Stamp

Notes:

- * 1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. 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.
3. Please complete all details including details of member(s) in above box before submission.



PRISM JOHNSON LIMITED

(FORMERLY PRISM CEMENT LIMITED)



Cement Division:
Website: <http://cement.prismjohnson.in>
Toll free No: 180030001444



HRJ Division:
Website: www.hrjohnsonindia.com
Toll free No: 1800227484



RMC Division:
Website: www.rmcindia.com
Tollfree No: 9769801903