HEIDELBERGCEMENT

HeidelbergCement India Limited
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Gurgaon, Haryana 122002, India
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Website: www.mycemco.com

HCIL:SECTL:SE:2016-17

22nd September 2016

BSE Ltd.
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400001

Scrip Code:500292

Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Trading Symbol: Heidelberg

Dear Sir,

Sub: Annual Report – 2015-16

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report for the financial year 2015-16 duly approved and adopted by the shareholders at the 57th Annual General Meeting held on 21st September 2016.

You are requested to post the same on the website of stock exchange.

Thanking you,

Yours faithfully,
For HeidelbergCement India Ltd.

Rajesh Relan
Legal Head & Company Secretary

Encl.: as above

mycem cement | for better building

HEIDELBERGCEMENT

we are what we pursue...

HeidelbergCement India Ltd.

Annual Report 2015-16

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Narsingarh Clinkerisation Plant, District Damoh, M.P.

HEIDELBERGCEMENT

we are what we pursue...

We also bind our stakeholders to form a great community by building on each other's strength.

The basic function of cement is to bind aggregates, sand, steel re-bars and bricks into structures which are expected to last for generations. Cement is thus an indispensable, non-substitutable, versatile commodity for nation building creating in its life of transformation fairly valued and durable structures for myriad uses be it a house, an office, a multiplex, a mall, a bridge, a highway, an airport, a canal or a stadium.

As part of the HeidelbergCement Group, renowned the world over for its engineering, manufacturing capabilities, innovations and a track record of sustainable operations, we repose great value in customers' expectations from our cement. Being the flag bearer of the Group's business ethics, at HeidelbergCement India, we are striving to raise the bar for excellence of the Indian Cement Industry.

It is with this responsibility combined with our Group's vast repository of knowledge, that we pack pure quality in every bag of cement we dispatch. We are in the pursuit to be one of the best cement makers of India. We strive to be the best in every activity that we do, be it our economic, social or environmental performance. Sustainable development, therefore, occupies a high priority in our business agenda.

We are committed to the optimal deployment of natural resources, replenishing the earth wherever it is due, the absolute compliances of regulatory as well as moral obligations, which are equally important, as is our resolve to deliver economic value. Firmly believing that 'we are what we pursue', the 1522 strong family members of HeidelbergCement India Limited, stands committed to pursue continuous improvement and sustainable development.

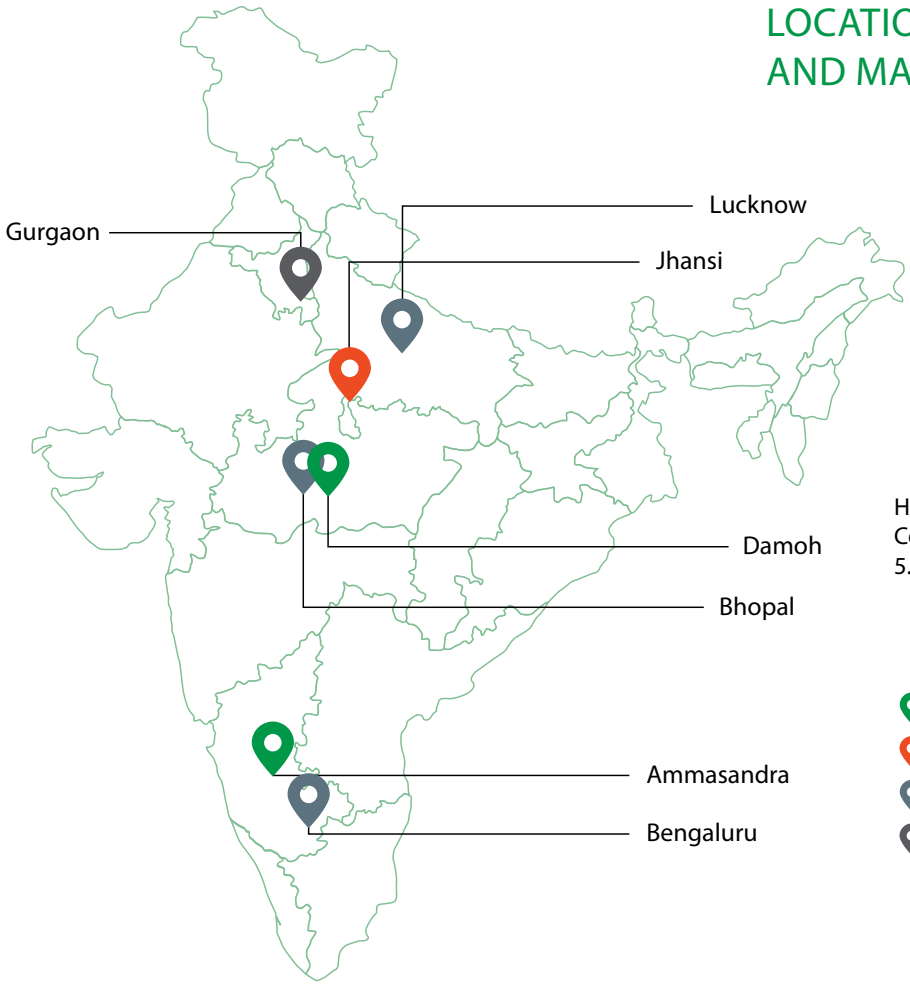
We are HeidelbergCement India

Dr. Albert Scheuer planting a sapling at Patharia Mines, District Damoh, M.P.

HeidelbergCement India Limited (HCIL), is an Indian subsidiary of the HeidelbergCement Group. HCIL is engaged in the manufacturing of cement. The product portfolio includes Portland Pozzolana Cement (PPC) and Portland Slag cement (PSC). The Company's manufacturing facilities are located in Ammasandra, Karnataka; Damoh, Madhya Pradesh (M.P.); and Jhansi, Uttar Pradesh (U.P.). HCIL's total cement manufacturing capacity stands at ~ 5.4 million tonnes per annum (MTPA), with clinker capacity of 3.4 MTPA. With the commencement of a new Waste Heat Recovery based Power Generation Plant, the Company has added a captive power generation capacity of ~12 MW at its clinker unit in Narsingarh, Damoh (M.P.).

HCIL has carved a niche for its brand 'mycem' in its operating markets, with the aid of committed sales efforts, supported by quality products. 'mycem' has a strong brand recall value in the markets of M.P., U.P. and Bihar. From the southern plant the company commands niche markets of Karnataka and Kerala.

LOCATION OF PLANTS AND MAIN OFFICES



HeidelbergCement India's Cement capacity – 5.4 Mn Tonnes per annum

- Integrated Unit
- Grinding Unit
- Regional Marketing Office
- Registered Office

Imlai Grinding Plant, Damoh, M.P.

Jhansi Grinding Plant, U.P.

corporate information

Board of Directors

Mr. P.G. Mankad
Non-Executive Chairman

Dr. Albert Scheuer
Non-Executive Director

Mr. Kevin Gerard Gluskie
Non-Executive Director

Mr. S. Krishna Kumar
Independent Director

Mr. Pradeep V. Bhide
Independent Director

Mr. Juan-Francisco Defalque
Non-Executive Director

Ms. Soek Peng Sim
Non-Executive Director

Mr. Jamshed Naval Cooper
Managing Director

Mr. Sushil Kumar Tiwari
Wholetime Director

Chief Financial Officer

Mr. Anil Kumar Sharma

Legal Head & Company Secretary

Mr. Rajesh Relan

Registered Office

9th Floor, Infinity Tower C
DLF Cyber City, Phase-II
Gurgaon, Haryana-122002

Statutory Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants

Registrar & Share Transfer Agents

Integrated Enterprises (India) Limited
30, Ramana Residency, 4th Cross, Sampige Road,
Malleswaram, Bengaluru - 560 003

our performance at a glance

Operational Snapshot: 2015-16

- Waste Heat Recovery based Power Generation Plant of ~ 12 MW at Narsingarh commissioned
- Decrease in the overall costs by 3.9% y-o-y, through concerted efforts offsets decrease of 3.2% in average gross realization, per ton
- Cement capacity utilization > 80% stood way ahead of the estimated industry average of ~70%
- Gross Long Term Debt reduced to ₹ 8,756 million from ₹ 11,172 million in the previous year
- Credit rating upgraded to "Ind AA" (with stable outlook) from "IND AA-"

Financial Highlights

Particulars	FY 16	FY15*	CY 13	CY 12	CY 11
Volumes (KT)	4,443	5,289	3,626	2,886	2,900
Total Revenue (₹ million)	16,708	20,581	14,006	11,144	9,998
EBITDA (₹ million)	2,532	3,360	1,222	877	776
EBITDA Margin (%)	15.2%	16.3%	8.7%	7.8%	7.8%
EBT (₹ million)	504	1,198	-807	457	424
EBT Margin (%)	3.0%	5.8%	-5.8%	4.1%	4.2%
PAT (₹ million)	387	595	-407	308	292
PAT Margin (%)	2.3%	2.9%	-2.9%	2.8%	2.9%
EPS (₹/Share)	1.7	2.6	-1.8	1.4	1.3
Shareholders Fund (₹ million)	8,956	8,716	8,334	8,466	8,156
Long Term Borrowings (₹ million)**	8,756	11,172	11,172	11,172	11,172
Short Term Borrowings (₹ million)	700	-	642	450	-
Debt Equity Ratio	0.98: 1	1.28: 1	1.34: 1	1.06: 1	0.84: 1
Cash and Cash Equivalents (₹ million)	78	1,463	1,141	732	3,107

*Notes: CY denotes Calendar Year, FY denotes Financial Year, *FY15 has 15 months results due to change in accounting year. CY11, CY12 and CY13 figures are inclusive of Raigad Plant*

*** Long Term Borrowings include current portion of borrowings maturing in the next one year but excludes impact of Mark to Market on the USD External Commercial Borrowings which were hedged using Cross Currency Swaps.*

from the desk of the Managing Director

Our relentless pursuit for sustainable development, which comes from the HeidelbergCement Group's philosophy, distinguishes us from many of our peers in India.

Dear Shareholders,

It is with a sense of accomplishment that I connect with you through our Annual Report. In our quest to be the best, we have chosen to pursue excellence towards our economic, social and environmental goals. As a proud member of the HeidelbergCement Group, one of the foremost global players in cement, we are steadily improving our business operations, with a concurrent focus on sustainable development.

During the course of the financial year, the global macroeconomic conditions remained tepid with divergent trends across the Advanced and Developing Economies. With a GDP growth of 7.6%, India remained as the fastest growing major economy. The softening in global commodity prices and crude oil in particular, were positive factors that supported the economy.

The Cement Industry in India continues to remain competitive given the moderate demand growth and the overhang of surplus capacities. The low capacity utilization witnessed by the industry has resulted in slowing down the pace of new capacity additions. During the recent times, the cement industry has also been witnessing a consolidation phase.

At HeidelbergCement India Ltd., continuous improvement is a way of life. With a keen eye on cost reduction programs, we enhanced our efficiencies covering all facets of our operations. The commissioning of our Waste Heat Recovery based power plant at Narsingarh is a major step in the direction of reducing the power cost of the company. Taking advantage of the cost difference among various types of available fuels, we optimised the fuel-mix over time. Further, a slew of other measures to de-bottleneck the operations have supplemented our efforts to achieve cost competitiveness.

Our brand 'mycem' marched ahead winning the confidence of our customers who value its high quality and willingly payed premium for the same. During the year, we also launched a premium cement- 'mycem power' - which was received well in the markets.

In a unique and innovative move, we have rolled out the Channel Authorization Digital Signage (CADS), an electronic digital display system installed at the Dealer Shops that provides information to customers about our brands, product technical information and indicative ruling prices. CADS is providing greater transparency and has proved instrumental in strengthening our bond with the channel partners and customers. In an evolving market, we updated our understanding on our customers' needs through extensive market surveys conducted during the year. The valuable insights of how customers perceive our brand has helped us refine our marketing strategies.

Our relentless pursuit for sustainable development, which comes from the HeidelbergCement Group's philosophy, distinguishes us from many of our peers in India. Continuing our tradition of social and environmental enrichment, we carried out programs for community development, environment and water conservation. Having put in place domestic waste processing facilities at our Narsingarh and Jhansi plants, we take pride in achieving zero solid municipal discharge. The development of a self-sustainable exotic aquatic system, that provides habitat to a wide variety of bird species, is our most recent contribution towards improving biodiversity. Considering the local needs, our customized community empowerment programs are actively facilitating community bonding.

I take this opportunity to thank all the stakeholders for their continuous support and trust in HeidelbergCement India Ltd. and also to commend our employees for their unwavering efforts and contributions in strengthening our prospects on the path of sustainable development.

Best Regards,

Jamshed Naval Cooper
Managing Director

pursuing customers' trust, every single transaction

Launching of CADS at a dealer's shop in Lucknow, U.P.

During the year we expanded our brand bouquet with the launch of cement under the brand 'mycem power'.

What the seller offers as a house, is a home for the buyer. What the contractor hands over as a road, is a bridge to the future for its everyday users. Change the viewpoint and the meaning changes, significantly. The softer sides, of the aspirational and emotional quotients, make a much greater impact on a company's success, in the long run. It is with these beliefs that we walk that extra mile in exceeding customer expectations.

Producing and marketing blended cement that supports the environment, offering consistent cement quality that is well established and accepted. Our brand 'mycem' has been steadily strengthening customer affinity, on the back of continuous improvements in its product quality, customer service, brand salience and distribution framework. During the year, we expanded our brand bouquet with the launch of premium cement under the brand 'mycem power'.

In order to service the markets we have spread awareness on the proper usage of cement in each aspect of construction, through a strong technical team and have also deployed mobile vans for customer support and service.

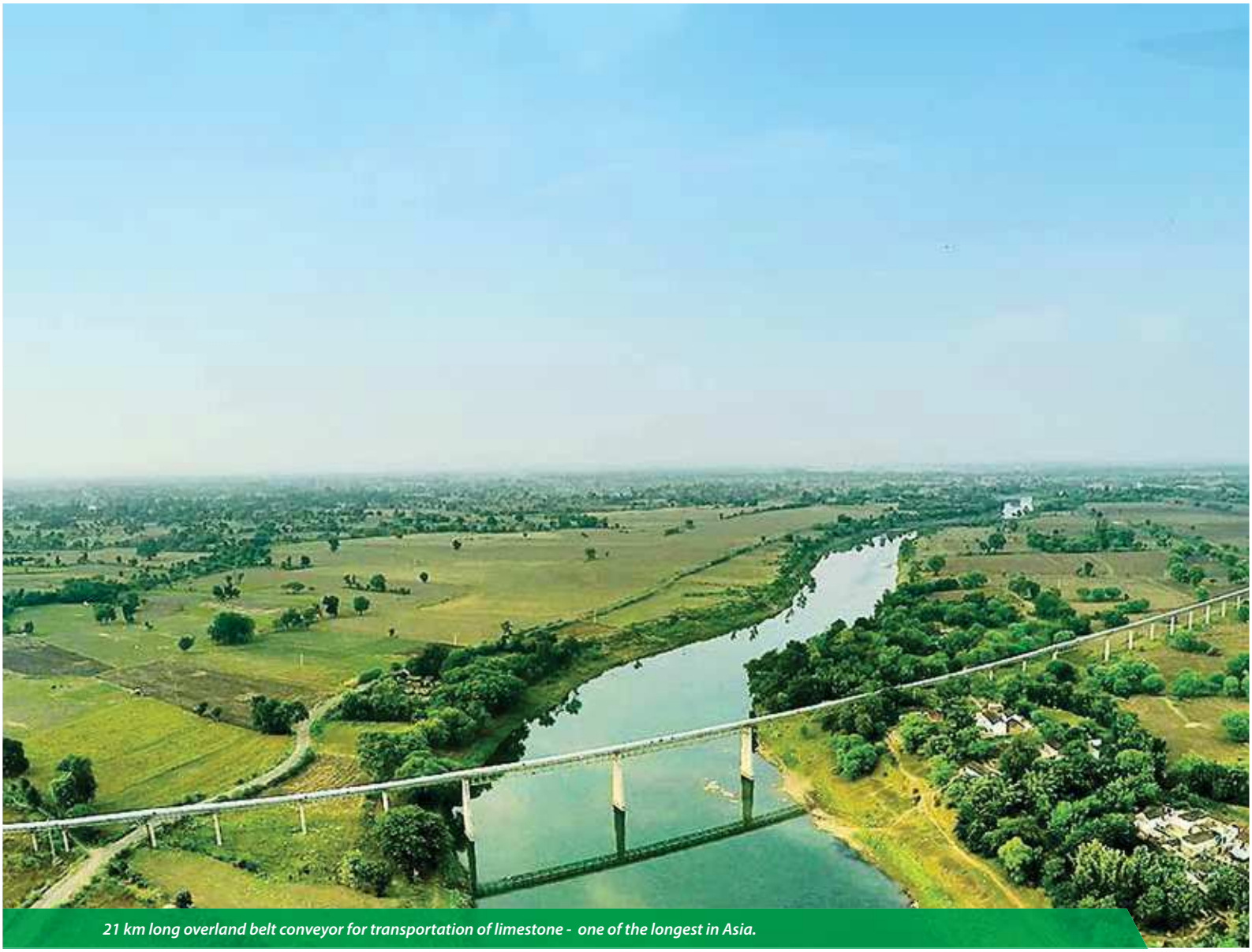
Our channel partners, right up to the last mile retailers, are the vanguards of the volume and premium growth. We support our channel partners through training, technical literature, public felicitation, performance and promotional incentives. We have launched a unique Channel Authorisation Digital Signage, an electronic display meant to be installed at the outlets of participating dealers. Besides distinguishing the retailer as company authorized, the display unit connects the participating retailers and their prospective customers with the Company and disseminates real time technical updates, company advertisement, brand messaging, and personalized seasons' greetings. Under the customer excellence program the Company has carried out market Net Promoter Score (NPS) to get the feedback and an understanding of the customers' needs. Based on the NPS, the Company has identified important loyalty drivers and is leveraging upon the same to enhance the customer satisfaction.

All these customer-focused initiatives helped to encounter the competitive pressure. In FY16, we successfully increased our market share in Central India, while achieving a volume growth of 5.11%. Going forward, maximising the sales volumes and realization, intensifying our brand salience through deeper channel engagement, and brand messaging around consistent quality and strength, remains high on our strategic priorities.

Technical support to customers at Site

Developing relations with Masons

pursuing operational excellence, every single location



21 km long overland belt conveyor for transportation of limestone - one of the longest in Asia.

We constructed a ~21 km long Overland Belt Conveyor (OLBC) for the transportation of limestone from Patharia mines to our Narsingarh Plant, District Damoh, M.P.

To fulfill the growing aspirations of 1.3 billion Indians, India needs investments in construction. In view of the housing and infrastructure deficit, the fastest growing major economy of the world needs evermore houses, factories, offices, roads, bridges and ports, among others. Given the finite availability of natural resources, such as minerals, water, fossil fuel and land, efficient and responsible resource utilisation becomes critical.

At HeidelbergCement India, our holistic pursuit of operational excellence is a step in this direction, as we remain committed to deliver sustained value to all our stakeholders – customers, vendors, employees, investors, communities, governments and environment. We believe that every ounce of resource and energy must be counted and used judiciously.

The Company accords foremost priority towards improved occupational health and safety at its plants. We undertook many progressive measures during the year, including the installation of CCTV surveillance cameras at strategic locations, interlocking the coupling guards with machine operations for LT Motors, both side fencing along the railway tracks and the construction of a foot over bridge at a railway crossing, the installation of an audio alarm system at the wagon loading platform, the installation of a PA system for broadcasting safety instructions.

Best practices and processes of HeidelbergCement Group facilitate in our Continuous Improvement Program towards resource and energy optimization. Our initiatives in modifications and improvisations across pyro processes and milling operations have resulted in reduced thermal and electrical energy consumption and consequently savings in energy costs. Owing to various modifications, de-bottlenecking, process optimisation and equipment upgradation, we secured an increased kiln and cement output.

In a one-of-its-kind move in the Indian cement industry, we had built a 21 km long Overland Belt Conveyor (OLBC) for the transportation of limestone from Patharia mines to our Narsingarh plant, in the year 2013. Despite being capital intensive, this facility has since been saving on transportation costs, while also conserving the environment with a reduced CO_2 footprint. The OLBC has also aided in improving the material re-handling by almost 60%. The unit cost of limestone transportation was brought down during the year, by improving the OLBC's throughput (tonnage per hour). The de-bottlenecking of the packing and loading process minimized demurrage, while negotiations with transport partners reduced the overall logistics cost.

We have augmented the throughput of new kilns and mills through process optimisation and modification measures. The reduction in the clinker incorporation ratio reduced the overall cost of cement. In order to optimise resources and induce cost saving, we are using Paint Sludge and Fibre Reinforced Plastic as alternate fuels. The higher usage of petcoke, an economical alternative to domestic coal, has also reduced cost.

Cement Packing in Imlai Plant, Damoh, MP

Ammasandra Cement Plant, Tumkur, Karnataka

pursuing sustainable development, every single way

Mr. Sushil Kumar Tiwari, Wholetime Director and Mr. Gulshan Bajaj, VP (Technical) receiving award for 'Best Improvement in Thermal Energy Performance' for Narsingarh Plant conferred by 'National Council for Cement and Building Materials'.

Our townships at Narsingarh and Jhansi have installed domestic waste processing facility ensuring zero solid municipal discharge.

With a view to fostering a collaborative culture of sustainable development across its multi-continental operations, HeidelbergCement Group's Continuous Improvement Program facilitates the sharing of worldwide best practices and the replication of proven improvisation ideas towards reducing its carbon footprints.

At HeidelbergCement India, our approach to sustainable development encompasses energy efficiency, workplace safety and ecological conservation. We approach each of these areas in a holistic manner and keep evolving newer and better ways of improving our performance against our current benchmarks.

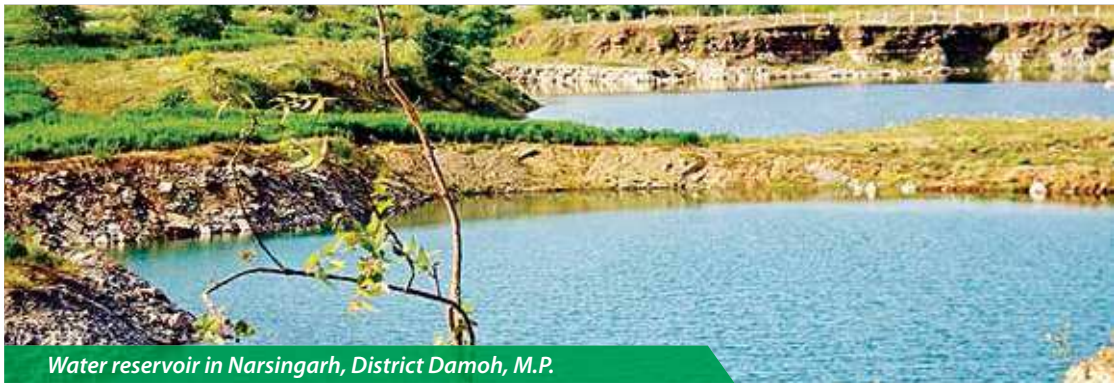
The energy efficiency measures span the consumption of power, kiln fuel and transport fuel. Power generation through waste heat, raw material transportation through Overland Belt Conveyor, altering fuel mix with addition of alternate fuels, such as paint sludge and fibre reinforced plastic and increased usage of petcoke, etc., have facilitated improvements in our energy efficiency.

The townships at Narsingarh and Jhansi have installed domestic waste processing facility ensuring zero solid municipal discharge. The manufacturing plants recover energy from non-biodegradable wastes, whereas the biodegradable waste is converted into manure for use in landscaping, green belt and gardening in colonies. We have also constructed a reservoir for rainwater harvesting at Narsingarh. The treated sewage water is reused for plant operations and gardening.

The development and maintenance of a green belt across the approach roads and the perimeter of our plants, have reduced the carbon footprint. We have developed an exotic aquatic system at Narsingarh and Jhansi. The water pond, with certain aquatic species, is self-sustainable and provides habitat to a wide variety of bird species.

Our efforts on sustainable development have always been acknowledged through reputed awards and citations. The notable additions in FY16 to our recognitions include:

- 'Best Improvement in Thermal Energy Performance 2014-15' (Narsingarh Plant) by National Council for Cement and Building Materials.
- 1st prize in 'Environmental Management', 'Management of Mineral Rejects' and 'Community Development' and 2nd prize for 'Overall Performance', 'Systematic Development, Reclamation & Rehabilitation', 'Publicity and Propaganda' and 'Installation & Use of Mechanical Benefication Plant, including Crushing and Screening Plant' (Yerekatte Mines) by the Mines Environment & Mineral Conservation Association, Karnataka.
- 1st prize for 'Drilling and Blasting' and 2nd prize in 'Mining Machinery' and 'Maintaining Records & Supervision Standards' (Yerekatte Mines) by the Mines Safety Association, Karnataka, Zone-3.
- 1st prize in 'Noise Vibration & Aesthetic Beauty' and 2nd prize for 'Overall Performance', 'Air Quality Management', 'Afforestation' and 'Waste Dump Management' (Patharia Mines) by Indian Bureau of Mines (IBM), Jabalpur.



Water reservoir in Narsingarh, District Damoh, M.P.

pursuing community empowerment, every single day

Distribution of solar lights to the girl students to enable them to study at night.

Our employees implement CSR programs, which not only increase the impact created but also deepen the Company's bonding with the communities.

The planet we inhabit and the communities we operate in, are equal stakeholders of our business. We are highly conscious of optimizing our carbon footprints while also contributing to the sustainable development of our neighbouring communities.

Our community development initiatives are devised to promote sustainable development of local communities and conservation of resources. Our approach is to support the local communities in devising and developing mitigation measures to overcome key adversities faced by them.

Healthcare, Education, Rural Infrastructure and Environment are the key intervention domains of our CSR efforts. Our CSR teams collaborate with the local communities and government in identifying meaningful developmental needs. Our employees implement CSR programs, which not only increase the created impact, but also deepen the Company's bonding with the communities.

Against the prescribed expenditure of ₹ 1.61 million, as per applicable regulations, we spent a multiplier figure of ₹ 10.32 million on various CSR activities and programs during the year. The snapshot of our CSR initiatives is enumerated in subsequent paras:

Education: To facilitate late night studies of girl students of local communities, our Jhansi plant provided solar chargeable lanterns to them. The construction of a hostel and the renovation of the school building for hearing and speech impaired children was undertaken by our Damoh unit. In another initiative, the construction of toilets, drinking water facility and boundary wall of a girls school was completed by Damoh unit. Similar initiatives were taken by our Ammasandra unit. Programs for adult education, promotion of sports and educational material support were also carried out by all our units.

Rural Development: With water conservation as the central theme, our Damoh unit carried out various programs of development of water catchments areas, deepening of ponds, development of bore wells, maintenance of water distribution infrastructure and water supply through tankers, in water scarce areas. The construction of community assets, like toilets, cremation ground etc., were also executed by our units.

Healthcare: Health check-up camps were organised and free medicines were distributed by our Damoh and Jhansi units. In addition our unit at Damoh runs primary health-care and ambulance service.

Distribution of books by Ammsandra Unit

Medical Check-up Camp organised by Damoh unit

pursuing career progression, every single talent

Our 'human capital' sharpening through internal training & development session

A Company is known by the calibre of its human capital. While machines and materials mostly remain common in a given industry segment, it is the human being that brings in the critical differentiation. Human capital, thus, remains the most valued asset for HeidelbergCement India.

Our people approach is aimed at attracting, training, engaging and retaining the best available and accessible talent. Furthering our endeavour to offer an enabling work environment, our focus for the year remained on systems and process improvement. The coverage of online performance management system, has been enlarged to include the middle management level which helped to align the subordinates and their managers with organizational goals besides making performance evaluation more objective, developmental and transparent. Another development programme ASCEND (Achieve Success and Competitive Edge by Nurturing Dreams) was conducted for the junior management level. We engaged an external consultant, IBM-Kenexa to conduct an employee satisfaction survey, during the year. It was reassuring to discover that the employees were found to be quite satisfied and engaged on the surveyed parameters.

Our emphasis on infusing young talent culminated in inducting more fresh graduates and postgraduates from Engineering and Management streams in our talent pool. With a committed focus on their development as future leaders, we are pursuing our mission of creating a succession plan for all key positions. Open, two-way communication remains our hallmark. The MD continues to spearhead our quarterly communication meetings, where the key business initiatives and results are communicated to all the employees through teleconference.

Board's Report

To the Members,

The Directors are pleased to present the 57th Annual Report together with the audited accounts of the Company for the financial year ended 31st March 2016.

The Year in Retrospect

In 2015-16, the Indian economy showed stability despite the continued down slide and negative sentiment around the globe. GDP grew at 7.6% in 2015-16 compared to 7.3% in 2014-15 backed by the improved performance of both the manufacturing and service sectors. The agricultural sector remained adversely affected in 2015-16 as well due to scanty rainfall, which impacted the rural demand. 2015-16 witnessed a further decline in the global crude prices which helped in reducing current account deficit and checking inflation thus enabling RBI to cut interest rates.

Although the economy showed moderate signs of revival, the recovery in cement demand remained muted due to sluggishness in the infrastructure, real estate and rural home builders' segment. Over the last few years, the cement industry has been facing excess supply which has adversely impacted prices. At the end of March 2016, the overall installed cement manufacturing capacity stood close to 405 million tonnes. However total cement production during 2015-16 was about 282.5* million tonnes compared to 270 million tonnes in the corresponding period, a growth of 4.6%.

** Source: Website of Office of Economic Adviser, Ministry of Commerce and Industry.*

Financial Highlights / Review of Operations

The Company produced 4.43 million tonnes (MT) of cement during the year ended March 2016 compared to 5.24 MT in the fifteen months period ended March 2015, an increase of 5.7% on an annualised basis. Cement sales for the year were 4.44 million tonnes compared to 5.28 million tonnes in the fifteen months ended 31st March 2015, an increase of 5.1% by volume on an annualised basis. Gross sales in 2015-16 were ₹ 19,228.8 million compared to ₹ 23,713.8 million in the fifteen months ended 31st March 2015. The Profit Before Tax (PBT) from operations in the year 2015-16 was ₹ 503.7 million compared to ₹ 594.8 million (excluding exceptional item) in the fifteen months ended 31st March 2015.

A snapshot of the Company's financial performance for the financial year ended 31st March 2016 (twelve months) vis-à-vis performance for the previous period ended 31st March 2015 (fifteen months) is as under: -

(₹ in million)

Particulars	Financial Year ended 31st March 2016	Fifteen months period ended 31st March 2015*
Income		
Revenue from Operations (Gross)	19,228.8	23,713.8
Revenue from Operations (Net of Excise Duty)	16,553.1	20,442.8
Other Income	154.8	138.4
Total Revenue	16,707.9	20,581.2
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	2,531.6	3,359.5
Net Depreciation and Amortization	940.0#	1,375.4
Finance Costs	1,087.9	1,389.3
Exceptional item	-	603.1^
Profit before Tax	503.7	1,197.9
Total Tax expense	117.2	602.6
Net Profit for the year	386.5	595.3

** Also includes figures for the discontinued operations pertaining to Raigad Unit, which was sold on 3rd January 2014.*

 # Pursuant to the applicability of provisions of Schedule II of the Companies Act, 2013 w.e.f. 1st April 2015, the Company has reassessed the estimated useful life of fixed assets. Accordingly, depreciation of ₹ 59.4 million on account of assets whose useful life was already exhausted as on 1st April 2015 and deferred tax liability of ₹ 20.6 million thereon had been adjusted to opening reserve in terms of transitional provision of the said Schedule II. Had the Company continued with the previously assessed useful lives, charge for depreciation during the financial year ended 31st March 2016 would have been higher by ₹181.8 million.

^ Net gain before tax arising out of sale of Raigad unit.

On the operations front, riding on the back of weak energy prices, the Company was able to keep its fuel costs significantly under control. Advantage of low pet coke prices was taken by

maximizing pet coke consumption. Packing costs were low due to fall in polypropylene granule prices. Additionally, the Company managed to lower cost by about 7% by conducting reverse auctioning of bags.

The Mines and Minerals (Development and Regulation) Amendment Act, 2015 became effective from 12th January 2015. During the year 2015-16, the provisions of the said Act relating to contribution to District Mineral Foundation and National Mineral Exploration Trust were also notified. Accordingly the Company has provided for the same in its books of accounts.

Factors like drought in many districts of central India post two successive monsoon failures, sand mining restrictions and labour shortage adversely impacted cement demand during 2015-16. Despite all odds faced by the cement industry and intense competition, the Company successfully increased its market share in Central India which led to a 5.11% increase in its sales volume over the previous year (on an annualized basis). Consistent good quality of cement has enabled the Company to meet expectations of its discerning customers and sustain a good brand recall for 'mycem'. The bond with the channel partners and customers was further strengthened through the innovative concept of CADS (Channel Authorization Digital Signage) an electronic digital display at the dealers' shops. Our aim to keep strengthening customer relationship remains hinged on product quality, reliability, transparency and fairness.

Transfer to Debenture Redemption Reserve

The Company had issued Non-Convertible Debentures aggregating to ₹ 3700 million carrying interest of 10.4% per annum on 16th December 2013. It is proposed to transfer, an amount of ₹ 134.1 million (previous year ₹ 173.4 million) out of the profits for the financial year ended 31st March 2016 to the Debenture Redemption Reserve (DRR) to meet the obligations towards the redemption of debentures commencing from 16th December 2019.

During the year the credit rating in respect of the aforesaid debentures has been upgraded to "Ind AA" (with stable outlook) from "IND AA-" by India Ratings and Research Pvt. Ltd., a credit rating agency.

Repayment of External Commercial Borrowings

The Company had borrowed USD 125 million in nine tranches from January 2011 to October 2012 by way of External Commercial Borrowings (ECB) for the purpose of financing its Damoh-Jhansi expansion project. Each tranche of ECB is repayable after a period of five years from the date of its draw down. The entire amount of ECB is hedged against exchange rate fluctuations through cross currency swap agreements. During the last quarter of financial year 2015-16 first three tranches of ECB aggregating to USD 60 million became due for repayment and the same were duly repaid. The Company is gearing up to repay the remaining tranches.

Dividend

With the objective of long term value creation for the shareholders, the Company had invested around ₹ 16 billion in capacity additions at its existing locations in Central India. This was financed through a mix of internal accruals and debt. Since the repayment of External Commercial Borrowings has commenced from January 2016, the Directors have decided to conserve the financial resources and therefore do not recommend payment of dividend at this juncture.

Focus on Cost Management

The various cost elements are closely monitored and managed so as to improve profitability. Consumption parameters of various raw materials are tracked and immediate corrective actions are taken, wherever necessary. In order to control the fuel costs, the Company has successfully altered the fuel mix by increasing the usage of pet coke, as the latter turns out to be more economical compared to coal given the prevailing prices. The Company has switched over to use of imported mineral gypsum of high purity resulting in maximum absorption of fly ash. The Company is also vigilant about its logistics costs and makes continuous efforts to optimise its rail-road mix.

A Step Towards Clean Energy

The Company has successfully commissioned the Waste Heat Recovery based Power Generation Plant at its Narsingarh Plant in Damoh, Madhya Pradesh on 15th February 2016. The Power Plant utilises the waste heat generated by the clinkerisation lines of Narsingarh Plant. The Power Plant has the potential to generate approximately 12 MW of power. The power generated by the said Plant is substituting equivalent grid power thereby reducing the power cost of the Company.

Waste Heat Recovery based Power Plant at Narsingarh, Damoh, M.P.

Environmental Sustainability

The Company firmly believes in sustainable development and deploys best practices for environmental protection and conservation of natural resources. In this context, its focus is on lowering carbon emission. Every endeavour is made to adopt efficient technology which helps reduce gaseous emissions, support use of alternative fuels and optimise use of resources. Our partnership with associations and forums such as Cement Sustainability Initiatives of the World Business Council for Sustainable Development, National Safety Council and Confederation of Indian Industry enables us to focus on matters of sustainability through participation of all stakeholders. Key initiatives taken in 2015-16, include construction of a reservoir for rain water harvesting at Narasingarh, optimised water consumption in plants by utilising water from the Sewage Treatment Plants at Narasingarh and Jhansi, planting a wide range of saplings around our factories and mines, composting household biodegradable waste and installing domestic waste processing facilities at Narasingarh and Jhansi plants to ensure Zero municipal solid waste discharge.

Enriching Biodiversity

Recognizing the importance of biodiversity for sustainable development, the company has taken several measures for improving air quality, prevention of soil erosion, sustenance

Green area developed in Patharia Mines, Damoh, M.P.

of precipitation and conservation of flora and fauna. These include development of water bodies and green belt surrounding the plants and mines. The Company has developed an exotic aquatic system (water pond with aquatic species) which is self-sustained and also provides habitat to a wide variety of bird species.

Making a Difference Through CSR

The Company continued to contribute to the economic and social development of the local communities, in the regions where it has presence by focusing on healthcare, education, community development, and other related activities. Participation of local communities was encouraged to strengthen the bond and create ownership and involvement to maintain the created assets. During the financial year ended 31st March 2016 the Company had spent ₹ 10.3 million

School Building in Damoh M.P. after Renovation

on various CSR activities / projects. Despite the limited obligations pursuant to Section 135 of the Companies Act, 2013 the Company exceeded the same by liberal margin.

The Company renovated infrastructure at various schools by providing toilets, drinking water facility and construction of boundary walls etc. This includes renovation of a school and construction of a new hostel for hearing and speech impaired children. Books and notebooks were also distributed to poor students. The Company is also running education centres in the vicinity of its Jhansi plant for the benefit of adults and children from the weaker sections of the society.

The Company distributed portable solar chargeable lanterns to girl students in Jhansi to enable them to study at night during power outage. To promote sports, the Company organised a sports meet for school children at Ammasandra. In order to empower women the Company also distributed sanitary napkin making machines.

Under the rural development programme, the Company constructed a road in Imlai village and culvert in Jhansi for speedier and smoother connectivity especially during monsoons. To complement the "Swachh Bharat Abhiyan", the Company constructed toilets in the vicinity of its plants.

Toilets Constructed in District Damoh, M.P.

The Company organized various free health check-up camps manned by experienced doctors and also provided mobile medical services and distributed medicines in the nearby areas. The Company's central India plants being part of the water scarce Bundelkhand region, water was supplied in the villages near the Narsingarh plant through water tankers.

Health Checkup Camp in District Damoh, M.P.

The Company also supported the efforts of the local authorities to develop a pond for water storage in Rajnagar area of Damoh District.

The Report on CSR activities together with the brief outline of CSR Policy of the Company is annexed herewith as 'Annexure – A'.

Occupational Health & Safety

Occupational health & safety remains a core value of the company and is accorded the top most priority. All plants are OHSAS 18001:2007 certified. Safety culture is built with the top management's commitment, safety guidelines of HeidelbergCement Group, cardinal norms on safety, compliance with legal obligations and benchmarking against the industry's best safety practices.

To make our employees and contractors aware of the occupational risks, specific trainings were imparted with focus on making our people as role models in occupational health and safety. Appropriate rules and systems have been put in place for this purpose and relentless efforts are made for continuous improvement on the basis of past experiences combined with contemporary safety practices.

Despite the Company's best efforts and high level of commitment at every level, we regret to report that three fatalities occurred at the plants during 2015-16.Two separate incidents took place in the 2nd and 4th quarters of the financial year at Imlai plant involving contract workmen. The first incident occurred in the wagon loading and dispatch area when the cement wagons were being dispatched and the other incident happened on the road inside the plant premises when a third party truck helper met with an accident while the driver was reversing the fly ash tanker. An incident occurred at Jhansi plant in the 2nd quarter of the financial year involving a contract workman who fell on the running belt conveyor.

In all the above mentioned incidents, the works were assigned to contracting agencies specialized in the respective fields and the jobs were being done under strict supervision. Management has taken these incidents seriously and investigated the root cause of the matters through committees involving experts and the senior leadership team. Although negligent behavior was determined to be the root cause of these accidents, measures to prevent its recurrence have been implemented.

Various actions continue to be initiated at all plants to ensure Zero Harm. Several precautionary measures have also been taken including training on behavior based safety. Key OHS Initiatives undertaken during FY 2015-16 include CCTV surveillance cameras installed at strategic locations for monitoring & control, construction of a foot over bridge for safe pedestrian movement on railway crossing at Imlai Plant, etc.

Awards and Accolades

The Company continues to pursue excellence in all areas of its operations, and we are happy to report that it received the following awards and honours:

- 'Best Improvement in Thermal Energy Performance 2014-15' for Narasingarh Plant from the National Council for Cement and Building Materials.
- '2nd prize for Overall Performance' by Mines Environment & Mineral Conservation Association, Karnataka for Yerekatte Mines
- '2nd prize for Overall Performance' by Indian Bureau of Mines (IBM), Jabalpur for Patharia Mines.

Mr. R.N. Rai, Mines Head, receiving Prize awarded to Patharia Mines by IBM

Corporate Governance

The Company believes in creating and sustaining relationship of trust and transparency with all its stakeholders. The governance framework enjoins the highest standards of ethical and responsible conduct. All the Directors and employees are bound by the Codes of Conduct setting out the fundamental standards to be followed in all actions carried out on behalf of the Company.

The Company is in compliance with the corporate governance requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to the provisions of the said listing regulations, a separate section on Corporate Governance, together with a certificate from M/s. Nityanand Singh & Co., a firm of Company Secretaries in Practice, confirming compliance with conditions of Corporate Governance, forms an integral part of this Report. A Management Discussion and Analysis Report is also given as an addition to this Report.

A certificate furnished by Mr. Jamshed Naval Cooper, Managing Director and Mr. Anil Kumar Sharma, Chief Financial Officer in respect of the financial statements and the cash flow statement for the financial year ended 31st March 2016 is annexed as Annexure 'B' to this Report.

Directors

Resignation of Directors

- Mr. Daniel Robert Fritz (DIN: 03491499), a Non-Executive and Non-Independent Director of the Company resigned from the Board of Directors with effect from 29th September 2015. The Board places on record its appreciation for the valuable guidance provided by Mr. Fritz during his tenure.
- Dr. Lorenz Naeger (DIN: 00603640), a Non-Executive and Non-Independent Director of the Company resigned from the Board of Directors with effect from 25th January 2016. The Board places on record its appreciation for the valuable guidance provided by Dr. Naeger during his tenure.

Appointment of Directors

- Mr. Juan-Francisco Defalque (DIN: 07318811) has been appointed as an Additional Director with effect from 29th October 2015.
- Mr. Kevin Gerard Gluskie (DIN: 07413549) has been appointed as an Additional Director with effect from 4th February 2016.

In the capacity of additional directors, Mr. Defalque and Mr. Gluskie hold office up to the date of the ensuing Annual General Meeting. The Company has received notices under section 160(1) of the Companies Act, 2013 from members proposing the appointment of Mr. Defalque and Mr. Gluskie as directors in the ensuing AGM. Their brief profile is given in the Notice of AGM. The Board recommends the appointment of Mr. Defalque and Mr. Gluskie by the members in the ensuing AGM.

Retirement by rotation

- Ms. Soek Peng Sim (DIN: 06958955) retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers herself for re-appointment. Her brief profile is given in the Notice of AGM. The Board recommends her re-appointment by the members at the ensuing AGM.

Independent Directors: Mr. P.G. Mankad (DIN: 00005001), Mr. S. Krishna Kumar (DIN: 01785323) and Mr. Pradeep V. Bhide (DIN: 03304262) were appointed as Independent Directors by the members for a term of five years from 1st April 2014 up to 31st March 2019 in the 55th Annual General Meeting held on 19th June 2014 and they continue to be on the Board of Directors. All the independent directors have submitted declarations to the Company that they fulfil the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosures Under Companies Act, 2013

Number of Board Meetings: During the financial year ended 31st March 2016, four board meetings were held. The details of the same are given in the Corporate Governance Report.

Composition of Audit Committee: The Company has an Audit Committee comprising four members namely, Mr. S. Krishna Kumar (Chairman of the Committee), Mr. P.G. Mankad, Mr. P.V. Bhide and Mr. Jamshed Naval Cooper. Other details about the said Committee are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

Board Evaluation: In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, that of the directors individually and that of all the Committees constituted by it, namely, the Audit Committee, Nomination and Remuneration Committee, CSR Committee and the Stakeholders' Relationship Committee. The manner in which the performance evaluation has been carried out has been explained in the Corporate Governance Report.

Policies for appointment and remuneration of directors: The Board has, on the recommendation of the Nomination

and Remuneration Committee, framed a 'Nomination and Remuneration Policy'. The policy *inter alia* lays down the criteria for determining qualifications, positive attributes and independence of potential candidates for appointment as directors and determining their remuneration. The said policy is annexed as Annexure 'C' to this Report. The Board has also adopted a 'Board Diversity Policy' which requires the Board to maintain appropriate balance of skills, experience and diversity of perspectives in its composition.

Extract of Annual Return: The extract of the Annual Return in the prescribed form, MGT – 9 is annexed herewith as Annexure 'D'.

Key Managerial Personnel: No changes took place in the Key Managerial Personnel (KMP) during the financial year ended 31st March 2016. The following persons continue to be the KMP of the Company:-

- Mr. Jamshed Naval Cooper, Managing Director;
- Mr. Sushil Kumar Tiwari, Whole time Director;
- Mr. Anil Kumar Sharma, Chief Financial Officer; and
- Mr. Rajesh Relan, Legal Head & Company Secretary.

General: The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions with respect to these items during the financial year ended 31st March 2016:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of stock options or sweat equity shares.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
- Loans, investments, guarantees and securities in terms of Section 186 of the Companies Act, 2013.

Internal Financial Controls

The Company has in place various internal controls, policies and procedures to ensure orderly and efficient conduct of its business. During the year under review, the Internal Financial Controls were tested and no reportable material weakness in the design or operation was observed.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them and based on the assessment of the management, the Board of Directors makes the following statements in terms of Section 134 of the Companies Act, 2013:

(a) that in the preparation of the accounts for the financial year ended 31st March 2016 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and of the profit of the Company for the financial 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 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the financial statements for the financial year ended 31st March 2016 have been prepared on a 'going concern' basis;

(e) that proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and

(f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and were operating effectively.

Related Party Transactions

All the transactions entered into between the Company and its related parties during the financial year ended 31st March 2016 were in the ordinary course of business and on an arm's length basis. The particulars of such transactions have been disclosed in the notes to accounts of the Balance Sheet presented in the Annual Report. During the year under review, the Company has not entered into any related party transaction exceeding the threshold limit provided under the Companies Act, 2013/Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A statement of all related party transactions is placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions.

The Company has in place a Policy on Related Party Transactions and a framework for the purpose of assessing the basis of determining the arm's length price of relevant transactions. The said policy and the framework are annually reviewed by the Audit Committee and the Board of Directors. The same have been posted on the Company's website. The web-link to access the said policy and framework is as follows:

http://mycemco.com/sites/default/files/Related%20Party%20Transaction%20Policy.pdf

Risk Management

The Company has a sound risk management system and a structured risk management policy in place. The business risks have been classified under the broad heads - strategic, operational, financial and legal & compliance risks. The Company's Risk Management Policy lays down a bottom-up process comprising risk identification, analysis and evaluation, treatment and controlling. Risk owners identify and analyse all risks in their area of operations. The business

risks are reviewed by the Senior Management and thereafter evaluated by the Audit Committee and the Board of Directors on a quarterly basis.

Vigil Mechanism/ Whistle Blower Policy

The Company has established a vigil mechanism / whistle blower policy to deal with the instances of unethical behaviour, fraud, conflict of interest, mismanagement and violation of the Code of Conduct. The details of the vigil mechanism are given in the Corporate Governance Report and the same has been posted on the Company's website. The web link to access the said policy is as follows: http://mycemco.com/sites/default/files/HCIL%20Whistle%20Blower%20Policy.pdf

Auditors

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 the members had at the 55th Annual General Meeting (AGM) held on 19th June 2014 appointed S.R. Batliboi & Co. LLP, Chartered Accountants, as statutory auditors of the Company for three consecutive financial years i.e., up to the conclusion of the 58th AGM. Section 139(1) of the Companies Act, 2013, further provides that the appointment of statutory auditors shall be placed before the members at every AGM for ratification. Accordingly, a Resolution seeking member's ratification for the continued appointment of S.R. Batliboi & Co. LLP, Chartered Accountants, as statutory auditors of the Company is included at Item No. 3 of the Notice convening the AGM. S.R. Batliboi & Co. LLP have given their consent and confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules made thereunder for continuing as statutory auditors of the Company. The Board recommends the aforesaid resolution for approval of the members.

The observations of the Auditors in their report on Accounts read with the relevant notes are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Audit

The Cost Audit for the fifteen months period ended 31st March 2015 was conducted by M/s R.J. Goel & Co., Cost Accountants, Delhi and as required Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Audit of the cost accounts of the Company for the financial year ended 31st March 2016 is being conducted by the said firm and the Report will be filed within the stipulated time.

In accordance with Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Amendment Rules, 2014 the Board of Directors has on the recommendation of the Audit Committee, appointed M/s. R.J. Goel & Co., Cost Accountants as Cost Auditor of the Company for the financial year 2016-17 on a remuneration of ₹ 2,25,000. Pursuant to Section 148(3) of the Companies Act, 2013, a resolution seeking member's ratification for the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants is included at Item No. 6 of the Notice convening the AGM. The Board recommends the aforesaid resolution for approval of the members.

Secretarial Audit

The Board had appointed M/s. Nityanand Singh & Co., a firm of Company Secretaries in Practice as Secretarial Auditor for carrying out secretarial audit of the Company for the financial year ended 31st March 2016 in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of the Secretarial Auditor is annexed herewith as Annexure 'E'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Particulars of Employees

The particulars of employees required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be provided on request. In accordance with the provisions of Section 136 of the Act, the Board's Report and the Accounts for the financial year ended 31st March 2016 are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on all working days up to the date of the ensuing Annual General Meeting. If any member desires to have a copy of the same, he may write to the Company Secretary in this regard.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, forming part of this Report are annexed as Annexure 'F'.

Acknowledgements

The Directors acknowledge the continued assistance and support of all stakeholders including Customers, Bankers, Distributors, Dealers, Suppliers and Contractors. We also take this opportunity to express our sincere gratitude for the cooperation and support received by the Company from various agencies of the Central and State Government(s). The Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company. We are grateful for the confidence, faith and trust reposed by the shareholders.

For and on behalf of the Board

Place: Gurgaon
Date: 24 May 2016

P. G. Mankad
Chairman

Annexure - A to the Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has on recommendation of the CSR Committee approved a CSR Policy. Brief outline of the said Policy is given below: • The overall objective of the CSR Policy of the Company is to promote sustainable development of the local communities with set targets and timeframes. The Policy focuses on mitigating the adversities faced by the communities and guiding them towards helping themselves. • The Company takes up CSR activities in key sectors including but not limited to, healthcare, education, rural infrastructure development and environment, giving maximum freedom to the local communities and employees to evolve meaningful initiatives. • The Company believes that supporting the development efforts of local communities addresses the felt needs of the community and in return leads to greater ownership and involvement in maintaining the assets created. • CSR initiatives are implemented through the Company's own employees. However, if required, the Company may also deploy appropriate agencies based on their proven credentials in the area of rural development to supplement its efforts. • The CSR projects are implemented through committees comprising local Company officials at Damoh (covering Patharia, Narsingarh and Imlai), Jhansi and Ammasandra. The committees are chaired by the Plant Heads and have key officials representing Human Resources, Welfare and Administration functions at the local level as members. • Proposals sent by the Implementation Committees are vetted by a committee at the Registered Office together with the financial allocation and thereafter the same are placed before the CSR Committee and the Board of Directors for consideration and approval. The Policy is placed on the Company's website and the web link to access the same is http://mycemco.com/sites/all/modules/custom/shareholdingpattern/HCIL-CSR-Policy.pdf
2	Composition of the CSR Committee:	The members of the Committee as on 31 March 2016 were: a) Mr. S. Krishna Kumar, Chairman of the Committee; b) Dr. Albert Scheuer; and c) Mr. Sushil Kumar Tiwari.
3	Average net profit of the Company for last three financial years (FY2012, FY2013 and FY 2014-15):	₹ 80.4 million
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	₹ 1.61 million
5	Details of CSR spent for the financial year 2015-16: (a) Total amount spent for the financial year ended 31 March 2016: (b) Amount unspent, if any:	 ₹ 10.32 million NIL

(c) Manner in which the amount has been spent on CSR activities during the financial year ended 31 March 2016 is detailed below:

₹ in million

S. No	CSR project / activity	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount Outlay (budget) project or programs-wise (Apr 2015 - Mar 2016)	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period (i.e. March 31, 2016	Amount spent: Direct or through implementing agency
					Direct		
1	Providing solar lights to girl students to enable them to study at night	Education	Jhansi (Uttar Pradesh)	0.60	0.70	0.70	0.70
2	Construction of hostel and renovation of school for the hearing and speech impaired children; Construction of boundary wall for school. Construction of toilets and drinking water facility in Girls School	Education	Damoh (Madhya Pradesh) and Ammasandra (Karnataka)	3.91	3.85	3.85	3.85
3	Providing bags, books and notebooks to students	Education	Ammasandra (Karnataka)	0.07	0.09	0.09	0.09
4	Providing education to adults ; Promoting sports	Education	Jhansi (Uttar Pradesh) Ammasandra (Karnataka),	0.42	0.34	0.34	0.34
5	Development of water catchment area, deepening of ponds, development of bore wells, maintenance of water distribution infrastructure in nearby villages, providing water through tankers in water scarcity areas.	Rural Development	Damoh (Madhya Pradesh)	4.10	4.16	4.16	4.16
6	Construction of common facilities like Toilets, Cemetery; Providing Infrastructure support like Hydra crane	Rural Development	Damoh (Madhya Pradesh), Jhansi (Uttar Pradesh) and Ammasandra (Karnataka)	0.75	0.72	0.72	0.72
7	Construction of culvert; Maintenance of approach road,	Rural Development	Damoh (Madhya Pradesh), and Jhansi (Uttar Pradesh)	0.45	0.34	0.34	0.34
8	Medical check-up camps and providing medicines	Health Care	Damoh (Madhya Pradesh), and Jhansi (Uttar Pradesh)	0.20	0.13	0.13	0.13
	Total			10.50	10.32	10.32	10.32

6. In case the Company has failed to spend the two per cent of the average net profits of the last three years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board's Report: Not Applicable

7. RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is given below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Place: Gurgaon
Date : 24th May 2016

Jamshed Naval Cooper
Managing Director

S. Krishna Kumar
Chairman – CSR Committee

Annexure – B to the Board's Report

The Board of Directors
HeidelbergCement India Limited

Dear Sirs,

Sub. : Managing Director & CFO's Certification

1. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31st March 2016 and to the best of our knowledge and belief :

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March 2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee :

   (i) that there were no significant changes in internal control over financial reporting during the financial year ended 31st March 2016;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) there are no instances of fraud of which we have become aware.

Place: Gurgaon	Jamshed Naval Cooper	Anil Kumar Sharma
Date : 24th May 2016	Managing Director	Chief Financial Officer

Annexure – C to the Board's Report

Nomination and Remuneration Policy

1. Preface

HeidelbergCement India Ltd. (the "Company") is committed to excel in every sphere of its activity by attracting and retaining qualified, talented and experienced professionals through efficient selection and evaluation mechanism.

The Board of Directors of the Company has constituted Nomination and Remuneration Committee ("the Committee") to perform the delegated functions and to formulate a Policy for nomination, appointment and remuneration of Directors and Top and Senior Management Personnel[1] ("Senior Management") of the Company. This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified for being appointed as Directors on the Board and those who may be appointed to fill the senior management positions. The Policy also sets out the guiding principles for determining the remuneration of executive directors, senior management personnel and other employees.

2. Role of Nomination and Remuneration Committee

The Board of Directors has entrusted the following responsibilities to the Committee:

- Identification of persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down;
- Recommend to the Board the appointment and removal of Senior Management Personnel;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, senior management personnel and other employees;
- Carryout evaluation of every director's performance; and
- Devising a policy on board diversity.

3. Criteria for identification of Directors and Senior Management Personnel

The Committee shall review potential candidates for appointment as Director and for filling senior management positions and give its recommendations to the Board. In evaluating the suitability of potential candidates the Committee may take into account factors, such as:

- personal and professional ethics, integrity and values ;
- educational and professional background ;
- leadership skills, standing in the profession;
- business knowledge, relevant competencies and skills, experience;
- actual or potential conflicts of interest, if any;
- willingness to devote time and efforts to effectively carry out duties and responsibilities;
- during the process of identification of suitable candidates for appointment as independent directors it must be ensured that the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 are duly fulfilled.

The Committee may also institute an enquiry into the background and qualifications of the potential candidates.

4. Criteria for determining Remuneration

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors on their appointment / re-appointment, which shall be within the overall limit provided under the Companies Act, 2013. The Board shall also approve the remuneration payable to the Key Managerial Personnel (KMP) of the Company at the time of their appointment. Non-Executive Directors shall be entitled to sitting fees for

1. "Top and Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

attending the meetings of the Board and the Committees thereof. The Executive Directors, Senior Management Personnel and other employees shall be given letter of appointment describing their job description, duties, rights and responsibilities. The remuneration shall comprise of fixed and performance based components as detailed below:

Fixed Remuneration: It shall be determined for each grade of employees and senior management personnel after taking into account the comparative remuneration profile with respect to industry, scale of the company's business, criticality of the position and competencies and experience of the person. It shall be the Company's endeavour to pay fixed remuneration which will:

- attract, retain and motivate professionals required to successfully run the Company;
- encourage people to perform to their highest potential;
- align the performance of the business with the performance of key individuals and teams within the Company;
- allow the Company to compete in each relevant employment market;

Performance Based Remuneration:

(a) Variable Pay: The Company shall reward Executive Directors, Senior Management Personnel and other employees based upon the Company's performance and their own individual performance to create a strong relationship between performance and remuneration. The percentage of performance based remuneration / variable pay in the total remuneration package of each employee shall be determined according to his / her level in the organization so as to ensure that the remuneration package is fairly balanced to attract, retain and motivate skilled professionals.

The variable pay shall be divided into two parts, of which first part would be dependent upon company's performance which shall be measured in financial terms such as achievement of targeted EBIT or Net Profit during the calendar year gone by. The other part shall depend upon the individual employee's performance against the targets set in the goal agreement. The weightage of the company performance vis-a-vis individual performance in the variable pay may range from 40 to 60 percent depending upon seniority of the concerned employee in the organisation structure.

There shall be a goal agreement setting out the annual objectives / targets of an individual employee cascading from the organisational goals. These annual objectives / targets shall be:

- Formulated clearly, i.e. goals must be described in a concrete, precise and comprehensible manner.
- Can be influenced, i.e. the employee must have a decisive influence on the goal's achievement.
- Realistic, fair and challenging, i.e. it must be possible for the employee to achieve a goal without being under challenged or over challenged.
- Must be able to measure whether the goal has been achieved, i.e. by means of quantitative standards (key figures) or qualitative standards (quality criteria based on common definitions) defined and ascertained during target setting.

The aforesaid objectives shall strike a balance between short term and long term goals of the Company. The progress of the employees towards achievement of the objectives shall be reviewed at the end of half year followed by a full year assessment at the end of each calendar year, and based on the achievements against the Key Performance Indicators, performance based remuneration shall be paid.

(b) Long Term Retention Plan: In order to retain high calibre senior personnel, the Company shall continue with its Long Term Retention Plan (LTRP). The period of LTRP shall cover 3 to 4 years. The basis of disbursement may vary each year.

Performance Management System (PMS): The Company has a detailed and structured PMS. Based on the review of performance through the PMS process, the Company shall assess the employees' competencies, eligibility for promotion and increment of senior management personnel, Key Managerial Personnel and other employees. The MD shall from time to time decide the annual increments / mid-term revisions to be given to employees, including senior management personnel and KMP as per the guidelines given in this policy. The MD is also authorised to approve the policies for giving loans/financial assistance to the employees.

Retirement benefits: The Company shall comply with the applicable laws for payment of retirement benefits such as Provident Fund, Superannuation, Leave Encashment and Gratuity.

Termination payments: Each employment contract shall set out in advance the notice period in case of resignation / termination of employment or the payment to be made in lieu thereof.

5. Amendment

The Committee / the Board of Directors reserve the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

Annexure - D to the Board's Report

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March, 2016

[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: L26942HR1958FLC042301

ii) Registration Date: 13th May 1958

iii) Name of the Company: HeidelbergCement India Limited

iv) Category / Sub-Category of the Company: Company having Share Capital

v) Address of the Registered office and contact details:

HeidelbergCement India Ltd.,
9th Floor, Tower C, Infinity Towers,
DLF Cyber City, Phase II, Gurgaon,
Haryana – 122002.
Phone No. : 0124 – 4503795

vi) Whether listed company: Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:

Integrated Enterprises (India) Ltd.
(Unit: HeidelbergCement India Ltd.)
30, Ramana Residency, 4th Cross, Sampige Road,
Malleswaram, Bengaluru - 560 003, Karnataka
Phone Nos.: 080-23460815 to 23460818
Fax No.: 080-23460819
Email ID: vijayagopal@integratedindia.in and alfint@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cement	3242	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	Cementrum I B.V., Pettelaapark 30, NL-5216 PD 's - Hertogenbosch, The Netherlands	Foreign Company	Holding Company	69.39%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01 April 2015]				No. of Shares held at the end of the year [as on 31 March 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (1)	-	-	-	-	-	-	-	-	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	157,244,693	-	157,244,693	69.39	157,244,693	-	157,244,693	69.39	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (2)	157,244,693	-	157,244,693	69.39	157,244,693	-	157,244,693	69.39	-
Total Shareholding Promoter & Promoter Group (A)=(A)(1)+(A)(2)	157,244,693	-	157,244,693	69.39	157,244,693	-	157,244,693	69.39	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,957,529	4,385	1,961,914	0.87	13,754,656	4,385	13,759,041	6.07	5.20
b) Banks / FI	91,648	975	92,623	0.04	57,228	1,442	58,670	0.03	-0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	328,440	328,440	0.14	-	328,440	328,440	0.14	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	12,355,374	1,400	12,356,774	5.45	6,924,342	1,400	6,925,742	3.06	-2.39
g) FIIs	19,880,539	132	19,880,671	8.77	17,234,066	132	17,234,198	7.61	-1.16
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	34,285,090	335,332	34,620,422	15.28	37,970,292	335,799	38,306,091	16.90	1.62
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5,766,786	18,004	5,784,790	2.55	3,755,129	17,379	3,772,508	1.66	-0.89
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01 April 2015]				No. of Shares held at the end of the year [as on 31 March 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	18,250,100	1,202,194	19,452,294	8.58	16,761,346	1,158,455	17,919,801	7.91	-0.67
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7,372,220	177,700	7,549,920	3.33	7,456,393	157,000	7,613,393	3.36	0.03
c) Others (specify)									
Non Resident Indians	1,463,767	62,845	1,526,612	0.68	1,363,857	58,670	1,422,527	0.63	-0.05
Overseas Corporate Bodies	-	1,500	1,500	0.00	-	1,500	1,500	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	387,839	-	387,839	0.17	284,982	-	284,982	0.13	-0.04
Trusts	5,019	40,027	45,046	0.02	7,594	40,027	47,621	0.02	-
Foreign Bodies -D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	33,245,731	1,502,270	34,748,001	15.33	29,629,301	1,433,031	31,062,332	13.71	-1.62
Total Public Shareholding (B)=(B)(1)+ (B)(2)	67,530,821	1,837,602	69,368,423	30.61	67,599,593	1,768,830	69,368,423	30.61	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-		-
Grand Total (A+B+C)	**224,775,514**	**1,837,602**	**226,613,116**	**100**	**224,844,286**	**1,768,830**	**226,613,116**	**100.00**	**-**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year – 01.04.2015			Shareholding at the end of the year – 31.03.2016			% change in shareholding during the year
		No. of Shares	% to total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% to total Shares of the company	% to Shares Pledged / encumbered to total shares	
1	CEMENTRUM I B.V.	157,244,693	69.39	Nil	157,244,693	69.39	Nil	-
	Total							

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

Sl. No.	Name of the share holder	Shareholding at the beginning of the year - 01.04.2015		Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares	% to Total Shares of the Company				No. of Shares	% to Total Shares of the Company
1	CEMENTRUM I B.V.	157,244,693	69.39	NO MOVEMENT DURING THE YEAR				
				31.03.2016	-	-	157,244,693	69.39

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

		Shareholding at the beginning of the year - 01.04.2015					Cumulative shareholding during the year - 31.03.2016	
S. No.	Name of the shareholder	No. of Shares	% to Total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% to Total Shares of the Company
1	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	8524910	3.76	01.04.2015	-	-	8524910	3.76
				10.04.2015	-116987	TRANSFER	8407923	3.71
				17.04.2015	-13235	TRANSFER	8394688	3.70
				24.04.2015	-227150	TRANSFER	8167538	3.60
				01.05.2015	-70000	TRANSFER	8097538	3.57
				08.05.2015	-499868	TRANSFER	7597670	3.35
				19.06.2015	48	TRANSFER	7597718	3.35
				31.07.2015	19573	TRANSFER	7617291	3.36
				11.09.2015	12066	TRANSFER	7629357	3.37
				16.10.2015	88	TRANSFER	7629445	3.37
				18.12.2015	-2000000	TRANSFER	5629445	2.48
				25.12.2015	-1905259	TRANSFER	3724186	1.64
				22.01.2016	109542	TRANSFER	3833728	1.69
				25.03.2016	-436850	TRANSFER	3396878	1.50
				31.03.2016	-200000	TRANSFER	3196878	1.41
2	ASHOKA PTE LTD	5462574	2.41	01.04.2015	-	-	5462574	2.41
				12.02.2016	-2729252	TRANSFER	2733322	1.21
				11.03.2016	-2733322	TRANSFER	0	0.00
				31.03.2016	-	-	0	0.00
3	LIFE INSURANCE CORPORATION OF INDIA	3608764	1.59	01.04.2015	NO MOVEMENT DURING THE YEAR			
				31.03.2016	-	-	3608764	1.59
4	JP MORGAN INDIAN INVESTMENT COMPANY (MAURITIUS) LIMITED	2875000	1.27	01.04.2015	-	-	2875000	1.27
				07.08.2015	100000	TRANSFER	2975000	1.31
				31.03.2016	-	-	2975000	1.31
5	JP MORGAN INDIA SMALLER COMPAINES FUND	2523294	1.11	01.04.2015	-	-	2523294	1.11
				01.05.2015	-17460	TRANSFER	2505834	1.11
				08.05.2015	-156391	TRANSFER	2349443	1.04
				26.06.2015	43201	TRANSFER	2392644	1.06
				30.06.2015	10947	TRANSFER	2403591	1.06
				03.07.2015	9822	TRANSFER	2413413	1.06
				28.08.2015	-40015	TRANSFER	2373398	1.05
				11.09.2015	-260000	TRANSFER	2113398	0.93
				08.12.2016	-675000	TRANSFER	1438398	0.63
				29.01.2016	-526078	TRANSFER	912320	0.40
				05.02.2016	-258922	TRANSFER	653398	0.29
				31.03.2016	-	-	653398	0.29

S. No.	Name of the shareholder	Shareholding at the beginning of the year - 01.04.2015 No. of Shares	% to Total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year - 31.03.2016 No. of Shares	% to Total Shares of the Company
6	JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED	2003717	0.88	01.04.2015	-	-	2003717	0.88
				05.02.2016	-2003717	TRANSFER	0	0.00
				31.03.2016	-	-	0	0.00
7	ASIA VISION FUND	1925000	0.85	01.04.2015	NO MOVEMENT DURING THE YEAR			
				31.03.2016	-	-	1925000	0.85
8	SUNDARAM MUTUAL FUND A/C SUNDARAM SMILE FUND	1220000	0.54	01.04.2015	-	-	1220000	0.54
				08.05.2015	142134	TRANSFER	1362134	0.60
				15.05.2015	5000	TRANSFER	1367134	0.60
				31.07.2015	66665	TRANSFER	1433799	0.63
				07.08.2015	813113	TRANSFER	2246912	0.99
				11.09.2015	34409	TRANSFER	2281321	1.01
				13.11.2015	1800	TRANSFER	2283121	1.01
				20.11.2015	5000	TRANSFER	2288121	1.01
				18.03.2016	646542	TRANSFER	2934663	1.30
				31.03.2016	-	-	2934663	1.30
9	TATA INVESTMENT CORPORATION LIMITED	1200000	0.53	01.04.2015	-	-	1200000	0.53
				07.08.2015	-1200000	TRANSFER	0	0.00
				31.03.2016	-	-	0	0.00
10	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA I	738460	0.33	01.04.2015	-	-	738460	0.33
				10.04.2015	25993	TRANSFER	764453	0.34
				17.04.2015	2692	TRANSFER	767145	0.34
				24.04.2015	13177	TRANSFER	780322	0.34
				01.05.2015	12823	TRANSFER	793145	0.35
				15.05.2015	11872	TRANSFER	805017	0.36
				22.05.2015	17759	TRANSFER	822776	0.36
				16.10.2015	13342	TRANSFER	836118	0.37
				12.02.2016	28838	TRANSFER	864956	0.38
				19.02.2016	13248	TRANSFER	878204	0.39
				31.03.2016	-	-	878204	0.39

		Shareholding at the beginning of the year - 01.04.2015					Cumulative shareholding during the year - 31.03.2016	
S. No.	Name of the shareholder	No. of Shares	% to Total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% to Total Shares of the Company
11	FIRST STATE INVESTMENTS (HONG-KONG) LIMITED A/C FIR*	0	0.00	01.04.2015	-	-	0	0.00
				18.12.2015	1279343	TRANSFER	1279343	0.56
				25.12.2015	322311	TRANSFER	1601654	0.71
				22.01.2016	156284	TRANSFER	1757938	0.78
				29.01.2016	341908	TRANSFER	2099846	0.93
				05.02.2016	155762	TRANSFER	2255608	1.00
				12.02.2016	1486240	TRANSFER	3741848	1.65
				19.02.2016	48352	TRANSFER	3790200	1.67
				26.02.2016	23666	TRANSFER	3813866	1.68
				04.03.2016	23170	TRANSFER	3837036	1.69
				11.03.2016	28265	TRANSFER	3865301	1.71
				18.03.2016	122861	TRANSFER	3988162	1.76
				31.03.2016	-	-	3988162	1.76
12	FRANKLIN INDIA SMALLER COMPANIES FUND*	0	0.00	01.04.2015	-	-	0	0.00
				05.02.2016	2378544	TRANSFER	2378544	1.05
				26.02.2016	100000	TRANSFER	2478544	1.09
				18.03.2016	43871	TRANSFER	2522415	1.11
				31.03.2016	38084	TRANSFER	2560499	1.13
13	CAISSE DE DEPOT ET PLACEMENT DU QUEBEC-FIRST STATE INVESTMENTS INTERNA*	0	0.00	01.04.2015	-	-	0	0.00
				25.12.2015	902215	TRANSFER	902215	0.40
				22.01.2016	85575	TRANSFER	987790	0.44
				29.01.2016	188729	TRANSFER	1176519	0.52
				05.02.2016	88817	TRANSFER	1265336	0.56
				12.02.2016	843012	TRANSFER	2108348	0.93
				19.02.2016	26624	TRANSFER	2134972	0.94
				26.02.2016	13031	TRANSFER	2148003	0.95
				04.03.2016	12759	TRANSFER	2160762	0.95
				11.03.2016	15563	TRANSFER	2176325	0.96
				18.03.2016	67651	TRANSFER	2243976	0.99
				31.03.2016	-	-	2243976	0.99
14	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN BUILD INDIA FUND (FBIF)*	0	0.00	01.04.2015	-	-	0	0.00
				25.12.2015	750000	TRANSFER	750000	0.33
				29.01.2016	23661	TRANSFER	773661	0.34
				05.02.2016	26339	TRANSFER	800000	0.35
				26.02.2016	3108	TRANSFER	803108	0.35
				31.03.2016	196892	TRANSFER	1000000	0.44

* Not in the list of top 10 shareholders as on 01.04.2015. The same is mentioned above since the shareholder was one of the top 10 shareholders as on 31.03.2016.

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Directors and KMP	**No. of shares**	**% to total shares of the company**	**No. of shares**	**% to total shares of the company**
At the beginning of the year	None of the Directors and Key Managerial Personnel hold shares in the Company			
Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	None of the Directors and Key Managerial Personnel hold shares in the Company			
At the end of the year	None of the Directors and Key Managerial Personnel hold shares in the Company			

V. INDEBTEDNESS

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

(₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e., as on 01-04-2015				
i) Principal Amount*	-	11,172.3	-	11,172.3
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	163.3	-	163.3
Total (i+ii+iii)	**-**	**11,335.6**	**-**	**11,335.6**
Change in Indebtedness during the financial year ended 31-03-2016				
- Addition		335.8	-	335.8
- Reduction		-2,754.8	-	-2,754.8
Net Change	**-**	**-2,419.0**	**-**	**-2,419.0**
Indebtedness at the end of the financial year i.e., as on 31-03-2016				
i) Principal Amount*	-	8,755.5	-	8,755.5
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	161.0	-	161.0
Total (i+ii+iii)	**-**	**8,916.6**	**-**	**8,916.6**

*The entire foreign currency loan is hedged and therefore, the exchange fluctuation has no impact on indebtedness of the Company (refer notes to accounts).

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Director and/or Manager during the financial year ended 31-03-2016:

(₹ in million)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Sushil Kumar Tiwari, Wholetime Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.6	13.6
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify…	-	-
5.	Others,	-	-
	(Contribution to Provident Fund and Superannuation Fund)	1.4	1.4
	Total (A)	**15.0**	**15.0**
Overall ceiling as per the Act for payment of managerial remuneration to Wholetime Director			**24.9***

* Pursuant to the provisions of Section 197 of the Companies Act, 2013 the remuneration payable to a Managing Director or a Wholetime Director or Manager shall not exceed five per cent of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

Note: The remuneration of Mr. Jamshed Naval Cooper, Managing Director is borne and directly paid by HeidelbergCement AG. The Company does not pay any sitting fees /commission/ remuneration to Mr. Cooper.

B. Remuneration of other directors during the financial year ended 31-03-2016:

1. Independent Directors (₹ in million)

Particulars of Remuneration	Name of Director			Total Amount
	Mr. P.G. Mankad	Mr. S. Krishna Kumar	Mr. Pradeep V. Bhide	
• Fee for attending board / committee meetings	0.60	0.45	0.60	1.65
• Commission	-	-	-	-
• Others	-	-	-	-
Total (1)	**-**	**-**	**-**	**1.65**

2. Other Non-Executive Directors (₹ in million)

Particulars of Remuneration	Name of Director						Total Amount
	Dr. Albert Scheuer	Dr. Lorenz Naeger (Ceased to be Director w.e.f. 25th January 2016)	Mr. Daniel Robert Fritz (Ceased to be Director w.e.f. 29th September 2015)	Ms. Soek Peng Sim	Mr. Juan-Francisco Defalque (Appointed as Additional Director w.e.f. 29th October 2015)	Mr. Kevin Gerard Gluskie (Appointed as Additional Director w.e.f. 4th February 2016)	
• Fee for attending board / committee meetings	-	-	-	-	-	-	-
• Commission	-	-	-	-	-	-	-
• Others	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-
Total (B)=(1+2)							1.65
Overall ceiling as per the Act for payment of remuneration to Independent Directors and other Non-Executive Directors:							5.0*
Total Managerial Remuneration (A+B)							16.65#
The overall ceiling on remuneration for Executive and Non-Executive Directors:							29.9

* Pursuant to the provisions of Section 197 of the Companies Act, 2013 the remuneration payable to Non-Executive Directors shall not exceed one per cent of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013. Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 provides that a company may pay to its directors as sitting fees for attending meetings of the Board or Committees thereof, such sum as may be decided by the Board of Directors, which shall not exceed ₹ 1,00,000 for each meeting of the Board and its Committees.

\# Total of remuneration paid to Wholetime Director and sitting fees paid to Independent Directors.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in million)

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel		
		Mr. Rajesh Relan Legal Head & Company Secretary	Mr. Anil Kumar Sharma CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.7	12.8	17.5
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify…	-	-	-
5.	Others,			
	(Contribution to Provident Fund and Superannuation Fund)	0.2	1.3	1.5
	Total	4.9	14.1	19.0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure - E to the Board's Report

Form No. MR-3

Secretarial Audit Report

for the financial year ended 31st March, 2016

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

To,

The Members of **HeidelbergCement India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HeidelbergCement India 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit for the financial year ended on 31 March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31 March, 2016, in accordance to the provisions of:

I. The Companies Act, 1956 and the Companies Act, 2013 ("the Act") and the Rules made thereunder to the extent applicable;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

VI. Other Laws which are applicable to the Company:

   - The Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
   - The Employees' State Insurance Act, 1948.
   - The Payment of Gratuity Act, 1972.
   - The Labour Laws and Law relating to Payment of Wages.
   - Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.
   - Direct Taxes –Income Tax Act, 1961, Service Tax, Customs Act, Value Added Tax Act, Sales Tax.
   - Miscellaneous Acts:

     a) The Water (Prevention and Control of Pollution) Act, 1974.

     b) The Air (Prevention and Control of Pollution) Act, 1981.

     c) The Environment (Protection) Act, 1986.

d) The Factories Act, 1948.

e) The Industries (Development & Regulation) Act, 1951.

f) The Explosives Act, 1884.

g) The Electricity Act, 2003.

h) Acts and Laws relating to carrying out Mining Activities.

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

i) Secretarial Standard-1 and Secretarial Standard-2 formulated by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs with effect from 01 July 2015.

ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited.

iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01 December 2015.

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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. During the period, all the decisions in the Board meetings were carried out unanimously.

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

We further report that during the audit period:

1) The Company has amended its Articles of Association in accordance with the provisions of the Companies Act, 2013 in Annual General Meeting held on 07 August, 2015.

2) There has been no instance of:

- Public/Rights/Preferential issue of shares/debentures/sweat equity.
- Redemption/buy back of securities.
- Major Decision taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- Merger/amalgamation/reconstruction etc.
- Foreign technical collaborations.

We also report that the compliances of other applicable laws, as listed in Para (VI) above, are based on the Management Certifications.

For Nityanand Singh & Co.,
Company Secretaries

Nityanand Singh (Prop.)
FCS No.: 2668/CP No. : 2388
Place: NEW DELHI
Date: 24 May 2016

Annexure - F to the Board's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) Energy conservation measures taken during the financial year ended 31st March 2016:

a) Installation of Waste Heat Recovery based Power Plant (WHR) at Narsingarh (Damoh) and commencement of power generation.

b) Increase in output of cement mill-3 at Imlai Plant by doing in-house modifications and thus reduction in specific power consumption parameter.

c) Increase in kiln output for Line 3 at Narsingarh Plant and thus reduction in specific energy consumption parameter.

d) Replacement of Direct Online (DOL) starters with Variable Voltage Variable Frequency Drive (VVVFD) at Narsingarh Plant to reduce specific power consumption.

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

Paint Sludge and Fibre Reinforced Plastic have been used as Alternate Fuels at Ammasandra Plant.

(iii) Capital investment on energy conservation equipment:

The Company has invested approximately ₹ 1877 million in energy conservation equipment listed at A(i) above.

B. Technology Absorption

(i) Efforts made towards Technology Absorption:

a) Installation of Waste Heat Recovery system at Narsingarh Plant.

b) Higher usage of Pet coke in fuel mix.

c) Installation of VVVFD drives at Narsingarh Plant.

d) Adaptation to best practices and processes of HeidelbergCement Group, thus reaping the benefits of their global expertise.

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

a) Power generated by the WHR plant has reduced power demand from the Grid supply thus reducing consumption of fossil fuels being used by power plants to generate power.

b) Higher Pet coke usage led to reduction in overall fuel cost and also helped in conserving natural resources.

c) VVVFD drive installation has helped to reduce specific power consumption.

d) Adaptation of best practices and processes of HeidelbergCement Group enabled the Company to carry out in-house modifications and improvements in pyro processes and milling operation resulting in reduction in thermal and electrical energy consumption leading to reduction in energy costs.

(iii) Information regarding technology imported during last 3 years: Nil

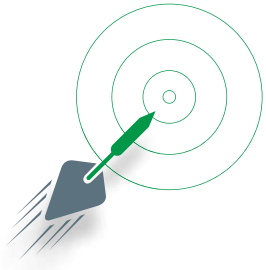
(iv) The expenditure incurred on Research and Development: Nil

C. Foreign Exchange Earnings & Outgo

Total foreign exchange used and earned:

(₹ in million)

	Financial Year ended 31.03.2016	Previous period ended 31.03.2015 (fifteen months)
Foreign exchange used:		
- Imports	43.3	581.0
- Expenditure	1021.9	1209.6
Total	**1065.2**	**1790.6**
Foreign exchange earnings:	Nil	Nil



Management Discussion and Analysis Report

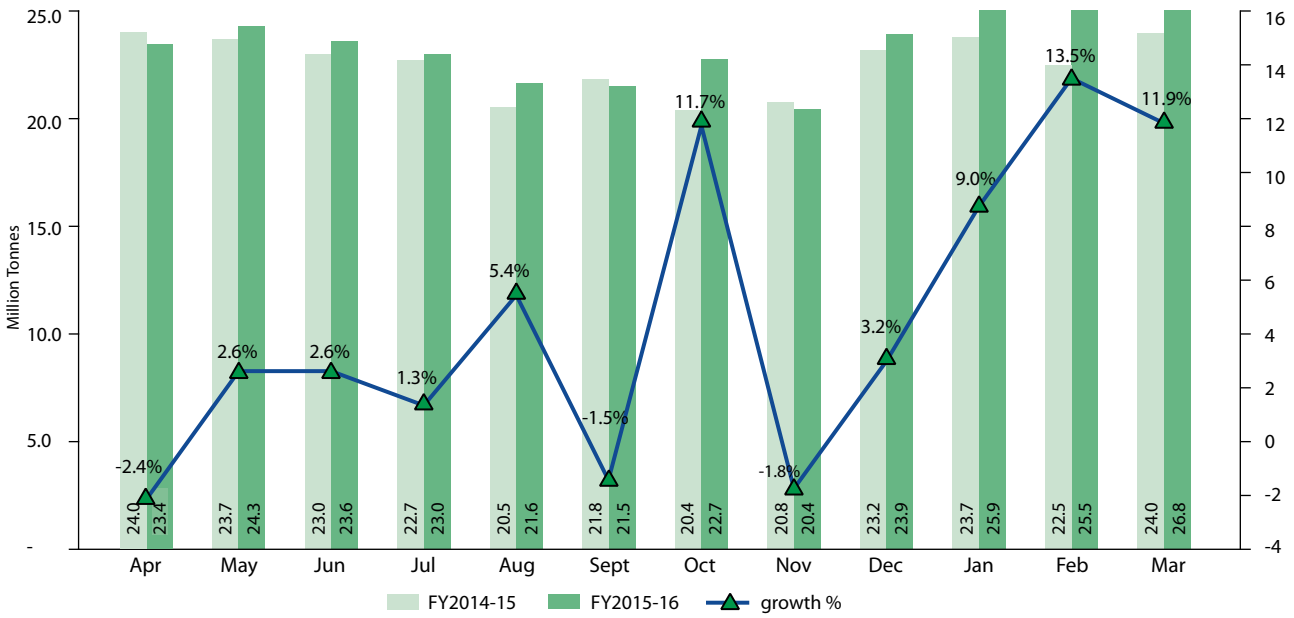
Industry Structure and Developments

With an installed capacity of around 405 million tonnes per annum, the Indian Cement industry is the second largest in the world. Driven primarily by the housing and infrastructure sectors, the prospects of the cement industry are linked to economic growth. Accounting for ~58% of the total demand, the housing sector remains the biggest growth driver of the industry, followed by infrastructure ~23% and commercial and industrial construction ~19%.

Cement production has grown at a Compounded Annual Growth Rate (CAGR) of 5.2% during the last five years, much slower than the CAGR of about 8% during the previous decade (2001-2010). Capacity additions have slowed down in the last couple of years. Still the overall scenario remains one of over-capacity. Industry estimates put the capacity utilisation levels in the financial year 2015-16 (FY16) in the range of 71% to 72%. Further, the industry's inability to pass on the input cost increases to the customers during the past few years have led to a steady erosion of margins. The fall in prices of petcoke, diesel, etc., have provided some respite to the industry.

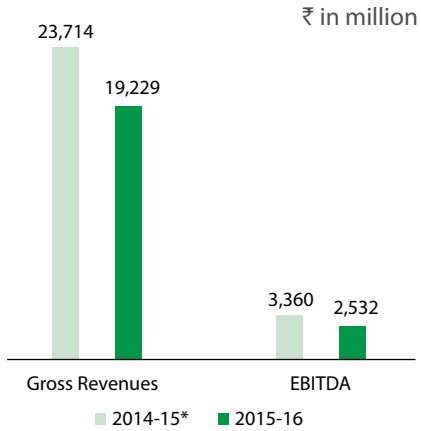
Cement production and demand which was sluggish in the beginning became encouraging towards the close of FY16, as depicted in the monthly production graph below.

All India Cement Production (April 2014 - March 2015 Vs. April 2015 - March 2016)



Source: Website of Office of Economic Adviser, Ministry of Commerce and Industry.

Financial and Operational Performance

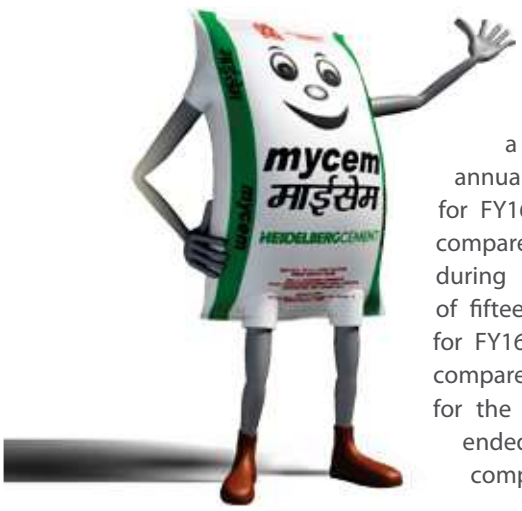


** Figures for 2014-15 are for 15 months*

The Company produced 4.43 million tonnes (MT) cement during FY16 compared to 5.24 MT during the fifteen months period ended 31st March 2015. Cement sales touched 4.44 MT during FY16 against 5.28 MT for the fifteen months period ended 31st March 2015, an increase of 5.7% on an annualised basis.

Gross sales by value for FY16 was ₹ 19228.8 million compared to ₹ 23713.8 million during the previous period ended 31st March 2015 (fifteen months), an increase of 1.4% on an annualised basis. The weak demand scenario during FY16 has resulted into decline in overall realisations. Cost advantage of lower crude cost during FY16 was partially offset by higher power tariff and new levy towards District Mineral Foundation and National Mineral Exploration Trust constituted pursuant to the amendments in the Mines and Minerals (Development and Regulation) Act. Fuel mix was further optimised to take advantage of fall in petcoke price. Consumption of imported gypsum and reduction in Poly Propylene granule prices further supported the Company in optimising its costs.

EBITDA (Earnings before interest, tax, depreciation and amortisation) for the year was ₹ 2531.6 million compared to ₹ 3359.5 million in the previous period, a decline of 5.8% on an annualized basis. Net profit for FY16 was ₹ 386.5 million, compared to ₹ 595.3 million during the previous period of fifteen months. Cash profit for FY16 was ₹ 1326.5 million compared to ₹ 1,970.7 million for the fifteen months period ended 31st March 2015. The company has commenced repaying its debt on scheduled due dates and hence, the gross long term debt stands reduced to ₹ 8,756 million as on 31st March 2016 from ₹ 11,172 million an year ago.



The Waste Heat Recovery power generation plant of ~12 MW capacity has been successfully commissioned at Narsingarh (M.P). The power generated by this plant will substitute equivalent grid power which is expected to considerably reduce the power cost.

Product Performance and Customer Relations

Consistent quality and reliability of our products is steadily making a mark in the minds of our customers. Our brand mascot "Chutkoo" is now well recognised in Central India markets. We constantly endeavour to identify our customers' demand and work towards delivering sustainable solutions. The launch of the new brand "mycem power" has helped us in positioning our products in the premium segment of the market.

Increased brand visibility, faster delivery and a customer-friendly approach have enabled the Company to strengthen its relationship with its customers and channel partners. This bond was further strengthened through the innovative rollout of CADS (Channel Authorization Digital Signage), an electronic display installed at the dealers' shops, during FY16.

Opportunities and Threats

Opportunities

The much needed boost for the rural economy has been partly addressed by the Union Budget 2016-17 having increased the outlay for rural development. The forecast of above normal rains during the monsoon season further raised the expectations for increase in cement demand across urban and rural areas. The anticipated increase in the pay and pensions through implementation of the 7th Pay Commission recommendations and OROP (One Rank One Pension) would be positive factors aiding housing demand.

Rejuvenation of the first 20 cities under the Government's 'Smart Cities' program would open new construction opportunities. The 'Housing for All' initiative of the Government and the transition from 'bituminous tar roads' to 'cement concrete roads' also hold significant promise for the sector.

Drop in crude oil prices has resulted in marked reduction in fuel cost for the industry. The prices are envisaged to remain stable or may marginally increase in the coming quarters. The Company's active measures towards achieving optimal fuel mix and the rail-road mix for the dispatches will help it in containing operating costs.

Threats

The industry's underutilised capacities coupled with moderate demand growth may step up the competitive forces, thereby eroding margins. Any sharp reversal in commodity prices (petcoke and diesel) may adversely impact the margins. Rural demand for cement being highly dependent on the agricultural production, vagaries in rainfall could have adverse impact.

Outlook

After recording tepid growth during calendar year 2015, cement demand has been firming up in 2016. The double-digit growth in cement volumes recorded in January-March quarter of 2016 is a welcome sign.

We expect the cement demand to grow in the range of 6-7% during FY17. The factors that are likely to act as catalysts include Government's continued thrust on execution of various infrastructure projects, affordable housing and urban rejuvenation under the smart city programme. Sustained economic growth momentum will also trigger private investments in commercial real estate and industrial construction. Further softening of the interest rates will help boost retail demand for housing. Revival of the rural economy on the back of a favourable monsoon forecast and various government measures will help push the rural demand.

With the pace of capacity additions slowing down, capacity utilisation is likely to improve for the industry. This supported by sustained demand growth may lead to an uptrend in the sector over the coming quarters.

Risks and Concerns

Risk management through the adopted framework is a vital function of the management. The management continuously monitors and reviews the business environment and keeps an eye on the adequacy and effectiveness of the risk management framework and its procedures.

The framework includes systematic risk identification and defines suitable action plans to mitigate the same. Having focused on managing the internal risks, the Company is able to reduce, to an extent, the impact of external risks such as a general downturn in the economy, new regulations, government policies and interest rates.

Internal Control Systems and their Adequacy

The company has well-structured and effective internal controls which are periodically reviewed and strengthened. The objective of the internal control system is to keep a check and ensure protection of the Company's resources, accuracy in financial reporting and due compliance with applicable statutes. The internal auditors appointed by the Board of Directors, on the recommendation of the Audit Committee, assess and confirm the adequacy and effectiveness of the internal control systems. The statutory auditors have also audited the internal financial controls over financial reporting and have opined that the same were adequate and operating effectively.

All material audit observations and follow-up actions thereon are reported to the Audit Committee, which also reviews the adequacy and effectiveness of the internal control systems. Improved internal controls and focus on cost reduction have helped the Company to stay competitive.

Crushing operations at Patharia Mines (Damoh)

Jhansi Grinding Plant, U.P.

Material Developments in Human Resources

The Company, in line with its philosophy of creating an enabling environment, focused this year on systems and process improvement. We introduced more transparency by taking our online performance management system down to the middle management level. To increase employee engagement and development, a family development programme was introduced at the junior management level under the umbrella of ASCEND (Achieve Success and Competitive Edge by Nurturing Dreams). We have engaged an external consultant, IBM-Kenexa, to understand what our employees perceived about the Company. It was a pleasure to discover high scores suggesting that employees are quite satisfied and significantly engaged on all the surveyed parameters.

The industrial environment remained cordial with high engagement and cooperation from the workmen. The Company had 1522 officers and workmen on its rolls, as on 31st March 2016.

The Company continues to remain compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which aims to protect women at workplace against any form of sexual harassment and prompt redressal of any complaint. During the financial year ended 31st March 2016, the Company received a complaint of sexual harassment against an employee of the Company, which was dealt with in accordance with the provisions of the said Act.

Communication is the heart of our Organisation. The Managing Director continues to share the business results and initiatives with all the employees in a two-way communication meeting on a quarterly basis.

Cautionary Statement

Statements in the Management Discussion and Analysis Report, which describe the Company's objectives, projections, estimates, expectations or predictions, may be considered to be "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however materially differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian political, economic and demand-supply conditions, finished goods prices, raw materials cost and availability, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Policies, tax regimes, economic developments within India besides other factors such as litigation and industrial relations as well as the ability to implement strategies. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

Report on Corporate Governance

Corporate Governance Philosophy

The Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders' value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic to all its operations. The Company is led by a distinguished Board, which includes independent directors. The Board provides strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs.

The Company is in compliance with the provisions stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of compliances, for the financial year ended 31st March 2016, are as follows :-

Board of Directors

Composition of the Board

As on 31st March 2016, the Company's Board comprised of Nine Directors viz., Seven Non-Executive Directors (out of which three are Independent Directors); a Managing Director and a Wholetime Director. The Chairman of the Board is an Independent Director. None of the directors of the Company are related to each other.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which stipulates that: (i) the Board should have at least a woman director; (ii) not less than 50% of the Directors should be Non-Executive Directors; and (iii) where the Chairman of the Board is a Non-Executive Director not related to the promoter group, at least one-third of the Board should comprise of independent directors.

Number of Board Meetings

During the financial year ended 31st March 2016, the Board of Directors met four times on 25th May 2015, 22nd July 2015, 29th October 2015 and 4th February 2016. The maximum time gap between any two consecutive board meetings was less than 120 days.

The composition of the Board of Directors, their attendance at the Board Meetings and the number of other Directorships / Committee positions held by them are as under:

S. No.	Name of the Director	Category / Status of Directorship	No. of Board Meetings attended during the period 01.04.2015 to 31.03.2016	No. of Directorship(s) in other Public Limited Companies*	No. of Committee positions held in other Public Limited Companies**		No. of Equity Shares held in the Company
					Member	Member and Chairman	
1.	Mr. P.G. Mankad, Chairman DIN: 00005001	Independent	4	7	6	1	-
2.	Dr. Lorenz Naeger# DIN: 00603640	Non-Executive	1	-	-	-	-
3.	Dr. Albert Scheuer DIN: 02170574	Non-Executive	4	-	-	-	-
4.	Mr. Kevin Gerard Gluskie## DIN: 07413549	Non-Executive	1	-	-	-	-
5.	Mr. S. Krishna Kumar DIN: 01785323	Independent	4	-	-	-	-
6.	Mr. Pradeep V. Bhide DIN: 03304262	Independent	4	7	3	2	-
7.	Ms. Soek Peng Sim DIN: 06958955	Non-Executive	4	-	-	-	-
8.	Mr. Daniel Robert Fritz^ DIN: 03491499	Non-Executive	2	-	-	-	-
9.	Mr. Juan-Francisco Defalque^^ DIN: 07318811	Non-Executive	2	-	-	-	-
10.	Mr. Jamshed Naval Cooper DIN: 01527371	Executive	4	1	-	-	-
11.	Mr. Sushil Kumar Tiwari DIN: 03265246	Executive	4	1	-	-	-

* *Directorships in Private Limited Companies, Foreign Companies and Companies governed by section 8 of the Companies Act, 2013 are excluded for this purpose.*
** *Only Audit Committee and Stakeholders' Relationship Committee have been considered for the purpose of the Committee positions as per listing regulations.*
\# *Ceased to be Director w.e.f. close of business hours on 25th January 2016.*
\## *Appointed as Additional Director w.e.f. 4th February 2016.*
^ *Ceased to be Director w.e.f. close of business hours on 29th September 2015.*
^^ *Appointed as Additional Director w.e.f. 29th October 2015.*

Code of Conduct for Board Members and Senior Management Personnel

The Board had approved a Code of Conduct for Board Members and Senior Management Personnel of the Company which also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The Code has been displayed on the Company's website viz., www.mycemco.com. The Board Members and Senior Management Personnel have affirmed compliance with the aforesaid Code. A declaration signed by the Managing Director in this regard is attached and forms part of this Report.

Directors with Materially Significant Pecuniary Relationships or Business Transactions with the Company

The Company does not have any pecuniary relationship with any of the Directors and has not entered into any transaction, material or otherwise, with them except for the remuneration / sitting fees and payments / reimbursement of travelling, lodging and boarding expenses.

Board Level Committees

The Company has the following Board Level Committees:

- Audit Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee; and
- Nomination and Remuneration Committee.

The Board of the Company takes all decisions with regard to constituting, assigning, co-opting, delegating and fixing the terms of reference of the Committees. Recommendations / decisions of the Committees are submitted / informed to the Board for approval / information.

Audit Committee

The Audit Committee of the Company as on 31st March 2016 comprised four members namely, Mr. S. Krishna Kumar (Chairman of the Committee), Mr. P.G. Mankad, Mr. Pradeep V. Bhide and Mr. Jamshed Naval Cooper. During the financial year ended 31st March 2016, the Audit Committee met four times on 25th May 2015, 22nd July 2015, 29th October 2015 and 4th February 2016. The time gap between any two meetings of the Audit Committee was less than four months. The quorum for the meetings of the Audit Committee is one-third of the members of the Committee, subject to a minimum of two independent members present at the meeting.

The details of attendance of the members of Audit Committee are given below:

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. S. Krishna Kumar	4
2	Mr. P.G. Mankad	4
3	Mr. Pradeep V. Bhide	4
4	Mr. Jamshed Naval Cooper	4

The role of the Audit Committee is to provide oversight over the accounting systems, financial reporting and internal controls of the Company. The powers and role of the Audit Committee are as set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The terms of reference of the Committee are available on the website of the Company, www.mycemco.com.

The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer and the representative(s) of the Statutory Auditors and the Internal Auditors are invited to attend the meetings of the Audit Committee. Mr. S. Krishna Kumar, Chairman of the Audit Committee, possesses accounting and financial management expertise and all the members of the Committee also have accounting and financial knowledge.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee as on 31st March 2016 comprised three members namely, Mr. P.G. Mankad (Chairman of the Committee), Mr. Pradeep V. Bhide and Mr. Jamshed Naval Cooper. The terms of reference of the Committee are available on the website of the Company, www.mycemco.com. During the financial year ended 31st March 2016, the Committee met four times on 25th May 2015, 22nd July 2015, 29th October 2015 and 4th February 2016 to take note of shareholders' grievances, if any. The details of attendance of the members of the Stakeholders' Relationship Committee are given below:

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. P.G. Mankad	4
2	Mr. Pradeep V. Bhide	4
3	Mr. Jamshed Naval Cooper	4

Mr. Rajesh Relan, Legal Head & Company Secretary is the Compliance Officer of the Company and also acts as Secretary to the Committee. During the period under review two complaints were received from shareholders, which were resolved satisfactorily. There were no pending investor complaints as on 31st March 2016.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee as on 31st March 2016 comprised three members, namely, Mr. S. Krishna Kumar (Chairman of the Committee), Dr. Albert Scheuer and Mr. Sushil Kumar Tiwari. During the financial year ended 31st March 2016 the Committee met twice on 25th May 2015 and 29th October 2015. The terms of reference of the Committee are in line with the provisions of the Companies Act, 2013 and the Rules made thereunder. The terms of reference of the Committee are available on the website of the Company, www.mycemco.com. The details of attendance of the members of the Corporate Social Responsibility Committee are given below:

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. S. Krishna Kumar	2
2	Dr. Albert Scheuer*	2
3	Mr. Sushil Kumar Tiwari	2

* The Board of Directors of the Company at its meeting held on 24th May 2016 has appointed Mr. Kevin Gerard Gluskie as a member of CSR Committee in place of Dr. Albert Scheuer.

Nomination and Remuneration Committee

The Committee as on 31st March 2016 comprised three members, namely, Mr. Pradeep V. Bhide (Chairman of the Committee), Mr. P.G. Mankad and Dr. Albert Scheuer. During the financial year ended 31st March 2016, the Committee met three times on 25th May 2015, 29th October 2015 and 4th February 2016. The terms of reference of the Committee are in line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and the Rules made thereunder. The terms of reference of the Committee are available on the website of the Company, www.mycemco.com. The details of attendance of the members of the Nomination and Remuneration Committee are given below:

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Pradeep V. Bhide	3
2	Mr. P.G. Mankad	3
3	Dr. Albert Scheuer*	3

* The Board of Directors of the Company at its meeting held on 24th May 2016 has appointed Mr. Kevin Gerard Gluskie as a member of Nomination and Remuneration Committee in place of Dr. Albert Scheuer.

Nomination and Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee (NRC) has approved a Nomination and Remuneration Policy for Directors and Senior Management Personnel. The said policy provides that while considering a proposal for appointment of a director, NRC shall *inter alia* consider qualifications, positive attributes, area of expertise, independence, number of directorships and memberships held in various committees of other companies by such person. The Board considers the recommendations of NRC and takes appropriate decision.

The said Policy provides that while determining the remuneration it should be ensured that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, senior management personnel and other employees. The remuneration is divided into two components namely, fixed component comprising salaries, perquisites, allowances, retirement benefits etc., and variable component comprising performance based incentive. Balance between fixed and variable pay is maintained so as to achieve short term and long term performance objectives.

The annual increments and performance incentives are decided through a structured performance management system, which takes into account criticality of the roles and responsibilities, employees' competencies, the Company's performance vis-à-vis the achievement of annual operating plan, individuals performance vis-à-vis Key Performance Indicators (KPIs), industry benchmark and current compensation trends in the market. The Nomination and Remuneration Policy is given as Annexure C to the Board's Report.

Criteria for payment of sitting fee to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the meetings of the Board/its Committees in the following manner:- (₹)

Name of Meeting	Amount payable to each director per meeting
Meeting of Board of Directors	50,000
Meeting of Audit Committee	40,000
Meeting of Nomination and Remuneration Committee	30,000
Meeting of Stakeholders' Relationship Committee	30,000
Meeting of Independent Directors	30,000

Sitting fee paid to Non-Executive Independent Directors

(₹)

Name of the Director	No. of meetings attended						Sitting Fees paid from 01.04.2015 to 31.03.2016*
	Board Meetings	Audit Committee Meetings	Stakeholders' Relationship Committee Meetings	Nomination and Remuneration Committee Meetings	Corporate Social Responsibility Committee Meetings	Meeting of Independent Directors	
Non-Executive Independent Directors							
Mr. P.G. Mankad, Chairman	4	4	4	3	N.A.	1	600,000
Mr. S. Krishna Kumar	4	4	N.A.	N.A.	2	1	450,000
Mr. Pradeep V. Bhide	4	4	4	3	N.A.	1	600,000

* Sitting fee paid to Non-Executive Independent Directors shown in the table given above is gross. The payment has been made to Directors after deduction of tax at source. Further, pursuant to the reverse charge mechanism, the Company as recipient of service has deposited service tax on the sitting fees paid to Directors.

The Company has not paid any remuneration or sitting fees to its non-resident directors namely, Dr. Lorenz Naeger, Dr. Albert Scheuer, Mr. Daniel Robert Fritz, Ms. Soek Peng Sim, Mr. Kevin Gerard Gluskie and Mr. Juan-Francisco Defalque during the financial year ended 31st March 2016.

Remuneration of Wholetime Director

The details of the Remuneration paid to Mr. Sushil Kumar Tiwari, Wholetime Director, from 1st April 2015 to 31st March 2016 are given below :-

	(₹)
Basic Salary	5,130,600
Perquisites & Allowances	6,632,854
Variable Pay #	1,855,219
Contribution to PF and Superannuation Fund	1,385,268
Total	**15,003,941**

Variable Pay of Wholetime Director can vary between 0% and 200% of the base amount depending upon individual and Company's performance after evaluation of the performance against the set targets.

The notice period of Wholetime Director is three months. The Company does not have any Stock Option Scheme.

The Company does not pay any sitting fees/commission/ remuneration to Mr. Jamshed Naval Cooper, Managing Director. The remuneration of Mr. Cooper is being borne and directly paid by HeidelbergCement AG. The notice period of Mr. Jamshed Naval Cooper, Managing Director is six months. The Company does not have any Stock Option Scheme.

Familiarisation programmes for Board Members

The Board members are provided with necessary documents to enable them to familiarise with the Company's procedures and practices. Presentations are made at Board Meetings with respect to the strategy, business model, operations, markets, business environment, risk management, etc. The Board is also updated on matters relating to changes in the regulatory framework.

At the time of appointment, an Independent Director is given a formal letter of appointment describing the role, functions, duties and responsibilities expected from him/ her as a Director of the Company. The Director is also briefed on the compliances required from him under the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations. The MD also has a one-to-one discussion with the newly appointed Director which helps the newly appointed Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company.

The details of familiarisation programmes for Independent Directors are posted on website of the Company and the same can be accessed at the web-link given below:-

http://mycemco.com/sites/default/files/Familiarisation%20Programme%20for%20IDs.pdf

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Performance Evaluation Policy has been formulated containing the criteria and methodology for facilitating performance evaluation of the Board, as a whole, Committees of the Board and the directors individually. In accordance with the criteria contained in the said Policy the Board has carried out performance evaluation of its own performance, its Committees and the Independent Directors. The Nomination and Remuneration Committee has also evaluated the performance of all the Directors.

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 at their separate meeting. The Directors have expressed their satisfaction on the outcome of the performance evaluation.

Meeting of Independent Directors

The independent directors of the Company met on 28th March 2016 for performance evaluation of non-independent directors and Board as a whole; performance evaluation of Chairman of the Company and evaluation of the quality, content and timeliness of flow of information between the management and the Board. All the Independent Directors were present at the said meeting.

Subsidiary

The Company does not have any subsidiary company.

Related Party Transactions

All the transactions entered into between the Company and its related parties during the financial year ended 31st March 2016 were in the ordinary course of business and on an arm's length basis. The particulars of such transactions have been disclosed in the notes to accounts of the Balance Sheet presented in the Annual Report. During the year under review, the Company has not entered into any related party transaction exceeding the threshold limit provided under the Companies Act, 2013/ Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A statement of all related party transactions is placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions.

The Company has in place a Policy on Related Party Transactions and a framework for the purpose of assessing the basis of determining the arm's length price of relevant transactions. The same have been posted on the Company's website. The web-link to access the said policy and framework is as follows:

http://mycemco.com/sites/default/files/Related%20Party%20Transaction%20Policy.pdf

Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

Disclosures

Wherever necessary, Directors and Senior Management Personnel make disclosures to the Board relating to all the material financial and commercial transactions where they have a personal interest that may create a potential conflict with the interest of the Company at large. All the related party transactions have been disclosed in the notes to the accounts of the Balance Sheet presented in the Annual Report. All the Directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and Rules made thereunder and as and when any changes in their interests take place, they are placed at the Board Meetings for taking the same on record.

The Board of Directors of the Company review the adoption of the 'discretionary requirements' under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Vigil Mechanism/Whistle Blower Policy

The Company is committed to develop a culture where it is safe for employees to raise genuine concerns or grievances about unethical behaviour, fraud, conflict of interest, mismanagement and violation of the Code of Conduct. The Company has put in place a Vigil Mechanism/Whistle Blower Policy to deal with such instances. The purpose of this policy is to provide a framework for an effective vigil mechanism and to provide protection to employees or directors reporting such genuine concerns. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company. No grievance was received from any employee during the year under review. No employee was denied access to the Audit Committee in this regard.

Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has followed the accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Details of Non-compliance by the Company in the last three years

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of capital market norms, rules, regulations, etc. in the last three years.

Risk Management

The Company has a structured Risk Management Policy. The business risks have been classified under the broad heads - strategic, operational, financial and legal & compliance risks. The Company's risk management policy lays down a bottom-up process comprising risk identification, analysis and evaluation, treatment and control. The business risks are evaluated by the Audit Committee and the Board of Directors on a quarterly basis.

Means of Communication

The quarterly and annual financial results are usually published in the English and Hindi editions of Business Standard.

The Quarterly / Annual Financial Results, Shareholding Patterns, Annual Reports, official news releases etc., are displayed on the websites of the stock exchanges (BSE & NSE), as well as on the Company's website – www.mycemco.com and the same can be accessed thereat.

The Company attends the earnings calls/investors' conferences organised by the recognised market intermediaries and the presentations, if any, given to investors/analysts at such conferences are posted simultaneously on the Company's website for information of the investors.

During the year under review presentations were made to the Institutional Investors/Analysts after announcement of financial results and the same can be accessed at the Company's website, www.mycemco.com. The Company's website, www.mycemco.com also contains useful information as required to be displayed pursuant to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

General Shareholders Information:

DIRECTORS

Resignation of Directors

Mr. Daniel Robert Fritz (DIN: 03491499), a Non-Executive and Non-Independent Director of the Company resigned from the Board of Directors with effect from 29th September 2015. The Board places on record its appreciation for the valuable guidance provided by Mr. Fritz during his tenure.

Dr. Lorenz Naeger (DIN: 00603640), a Non-Executive and Non-Independent Director of the Company resigned from the Board of Directors with effect from 25th January 2016. The Board places on record its appreciation for the valuable guidance provided by Dr. Naeger during his tenure.

Appointment of Directors

Mr. Juan-Francisco Defalque (DIN: 07318811) has been appointed as an Additional Director with effect from 29th October 2015.

Mr. Kevin Gerard Gluskie (DIN: 07413549) has been appointed as an Additional Director with effect from 4th February 2016.

In the capacity of additional directors, Mr. Defalque and Mr. Gluskie hold office up to the date of the ensuing Annual General Meeting (AGM). The Company has received notices under section 160(1) of the Companies Act, 2013 from members proposing the appointment of Mr. Defalque and Mr. Gluskie as directors at the ensuing AGM. Their brief profile is given in the Notice of AGM.

Retirement by rotation

Ms. Soek Peng Sim (DIN: 06958955) retires by rotation at the ensuing AGM and being eligible offers herself for re-appointment. Her brief profile is given in the Notice of AGM.

Independent Directors: Mr. P.G. Mankad (DIN: 00005001), Mr. S. Krishna Kumar (DIN: 01785323) and Mr. Pradeep V. Bhide (DIN: 03304262) were appointed as Independent Directors by the members for a term of five years from 1st April 2014 up to 31st March 2019 in the 55th AGM held on 19th June 2014 and they continue to be on the Board of Directors. All the independent directors have submitted declarations to the Company that they fulfil the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

General Meetings of Shareholders

The details of the Annual General Meetings (AGM) of the shareholders held during the last 3 years are given below:

Financial Year ended	Date & Time	Venue	Special Resolutions passed
31.03.2015	07.08.2015 9.30 A.M.	Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana	a) For Re-appointment of Mr. Sushil Kumar Tiwari (holding DIN 03265246) as Wholetime Director of the Company from 10th June 2015 till 9th June 2017. b) For amendment of Articles of Association of the Company.
31.12.2013	19.06.2014, 9.30 A.M.	Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana	a) For Re-appointment of Mr. Sushil Kumar Tiwari as Wholetime Director of the Company from 29th April 2014 till 9th June 2015. b) For borrowing money up to ₹20,000 million under Section 180(1)(c) of the Companies Act, 2013. c) For creation of charge / mortgage on the properties of the Company to secure borrowings up to ₹ 20,000 million under Section 180(1)(a) of the Companies Act, 2013.
31.12.2012	16.05.2013, 9.30 A.M.	Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana	No special resolution was passed.

Mr. P. G. Mankad, Chairman; Mr. S. Krishna Kumar, Chairman of the Audit Committee; Mr. Pradeep V. Bhide, Chairman of the Nomination and Remuneration Committee; Mr. Jamshed Naval Cooper, Managing Director and Mr. Sushil Kumar Tiwari, Wholetime Director of the Company were present at the last AGM held on 7th August 2015.

Postal Ballot

During the year under review the Company has not passed any Resolution through Postal Ballot. It may be further noted that no resolution is proposed to be passed through Postal Ballot before the ensuing AGM.

Annual General Meeting

Date	:	21st September 2016
Day	:	Wednesday
Time	:	9.30 A.M.
Venue	:	Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana.

Financial Calendar for 2016-17

Proposed Board Meetings for approving quarterly financial results for the financial year 2016 -17 are as under:

Approval of the financial results for the quarter ending 30th June 2016, 30th September 2016 and 31st December 2016.	Within 45 days from the end of the respective quarter.
Audited annual financial results for financial year ending 31st March 2017.	Within 60 days from the end of the financial year.
AGM for the financial year ending 31st March 2017.	August 2017 / September 2017.

Book Closure: 15th September 2016 to 21st September 2016 (both days inclusive).

Dividend: Nil

Stock Exchanges where shares are listed	Stock Code / Trading Symbol
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai - 400001	500292
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C/1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	Heidelberg

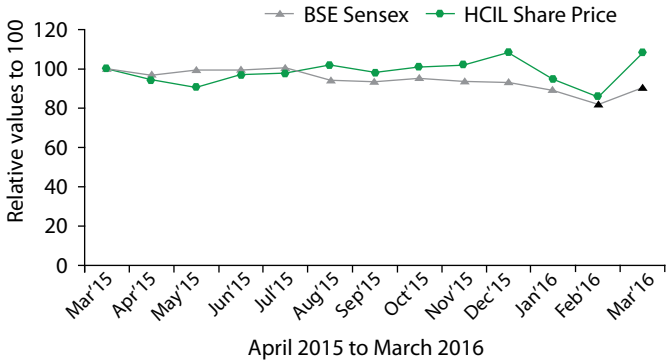
There are no arrears of listing fees to be paid to BSE and NSE.

Share Price Data

Share Price of HeidelbergCement India Ltd. at BSE & NSE during the financial year ended 31st March 2016 is as follows:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2015	81.90	70.00	81.90	69.65
May 2015	76.00	66.00	75.95	65.80
June 2015	74.25	61.15	74.20	61.15
July 2015	79.70	69.10	79.80	69.00
August 2015	81.45	67.00	81.40	66.70
September 2015	83.00	71.45	83.25	71.10
October 2015	84.50	72.50	84.75	72.50
November 2015	78.20	68.90	78.30	69.85
December 2015	81.20	70.80	81.00	69.50
January 2016	81.00	64.95	81.45	64.95
February 2016	76.70	60.00	76.80	59.65
March 2016	81.95	63.60	81.95	64.25

Comparison of Share Price of HeidelbergCement India Ltd. with BSE Sensex



Shareholding Pattern as on 31st March 2016

Category	No. of Equity Shares	% of Equity shareholding
Promoters (Foreign Body Corporate)	157,244,693	69.39
Mutual Funds	13,759,041	6.07
Financial Institutions & Banks	58,670	0.03
Central /State Government	328,440	0.14
Insurance Companies	6,925,742	3.06
FIIs	17,234,198	7.60
NRIs & OCBs	1,424,027	0.63
Bodies Corporate	3,772,508	1.66
Trusts	47,621	0.02
Resident Individuals	25,533,194	11.27
Clearing members	284,982	0.13
Total	**226,613,116**	**100.00**

Distribution Schedule of Equity Shares as on 31st March 2016

No. of equity shares of ₹ 10 each	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	42257	84.49	6605773	2.91
501-1000	4019	8.04	3367991	1.49
1001-2000	1767	3.53	2782458	1.23
2001-3000	644	1.29	1673558	0.74
3001-4000	269	0.54	983511	0.43
4001-5000	277	0.55	1339889	0.59
5001-10000	378	0.76	2902680	1.28
10001 and above	400	0.80	206957256	91.33
Total	**50011**	**100.00**	**226,613,116**	**100.00**

Dematerialisation of shares/liquidity/unclaimed shares

The Equity Shares of the Company are actively traded at BSE and NSE in dematerialised form. International Securities Identification Number (ISIN) for both the depositories, viz., NSDL and CDSL is INE578A01017. As on 31st March 2016, 99.22% of the Equity Shares of the Company were held in dematerialised form. The shareholders who wish to get their shares dematerialised can submit the share certificates together with the Demat Request Form to the Depository Participant with whom they have opened a demat account. The Company doesn't have any unclaimed shares with respect to its past public/rights issue of shares.

Non-Convertible Debentures

The Company has on 16th December 2013 issued and allotted 370 unsecured, redeemable, non-convertible debentures ("Debentures") of face value of ₹ 10 million each, aggregating to ₹ 3,700 million to HeidelbergCement AG for the purpose of refinancing the long term loans obtained from banks.

The Debentures have been issued in dematerialized form and are listed at wholesale debt segment of BSE Limited. ISIN allotted by the Depositories is INE578A08012.

Share Transfer System

Share transfers are processed and share certificates duly endorsed are delivered within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Company Secretary. The Company obtains from a Practising Company Secretary a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with the Stock Exchanges.

The shareholders who wish to transfer their shares held in physical form can lodge the duly completed request for

registration of transfer of shares with Integrated Enterprises (India) Ltd., Bengaluru. In case of transfer of shares, deletion of name of deceased shareholder, transmission or transposition of names in respect of shares held in physical form it is mandatory to submit photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively along with the request for transfer, transmission or transposition.

Outstanding warrants and their implications on equity

As on 31st March 2016, there are no outstanding GDRs, ADRs, convertible warrants or any other instruments convertible into equity shares, issued by the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company's Foreign Currency External Commercial Borrowings for USD 125 million (balance as on 31.03.2016 being USD 65 million) were already fully hedged through Cross Currency Swaps. The foreign exchange exposure against imports are routinely managed by entering into forward contracts to the extent considered necessary. The details of foreign currency exposure are disclosed in notes to the Annual Accounts.

Addresses for Correspondence

Registered Office:

HeidelbergCement India Ltd.
9th Floor, Tower C, Infinity Towers
DLF Cyber City, Phase II
Gurgaon, Haryana – 122002
Phone Nos. : 0124 – 4503795
Fax No. : 0124 – 4147698
E-mail-Ids : investors.mcl@mycem.in
rajesh.relan@heidelbergcement.in
shrinivas.hari@heidelbergcement.in

Registrar & Share Transfer Agents:

Integrated Enterprises (India) Ltd.
(Unit: HeidelbergCement India Ltd.)
30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram,
Bengaluru - 560 003, Karnataka
Phone Nos. : 080-23460815 to 23460818
Fax No. : 080-23460819
Email–Ids : vijayagopal@integratedindia.in
and alfint@vsnl.com

Debenture Trustee:

Axis Trustee Services Ltd.
Axis House, 2nd Floor,
Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 025
Phone Nos : 022-24252525/43252525
E-mail-Ids : debenturetrustee@axistrustee.com

Plant Locations

(a) HeidelbergCement India Ltd.
P.O. Ammasandra
District Tumkur
Karnataka - 572211

(b) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
P.O. Narsingarh
District Damoh
Madhya Pradesh - 470675

(c) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
Village Imlai
District Damoh
Madhya Pradesh - 470661

(d) Diamond Cements
(Unit of HeidelbergCement India Ltd.)
Village Madora
District Jhansi
Uttar Pradesh - 284121

Affirmation of Compliance with the Code of Conduct for Board Members and Senior Management Personnel

I declare that the Company has received affirmation of compliance with the "Code of Conduct for Board Members and Senior Management Personnel" laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, for the financial year ended 31st March 2016.

Place: Gurgaon
Date: 24th May 2016

Jamshed Naval Cooper
Managing Director

Certificate regarding compliance of conditions of corporate governance

To,

The Members of HeidelbergCement India Limited

We have examined the compliance of conditions of Corporate Governance by HeidelbergCement India Limited for the financial year ended 31st March 2016, as stipulated in the Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that during the financial year ended 31st March 2016, two complaints were received from shareholders which were resolved satisfactorily. As on 31st March 2016 there was no pending investor complaint.

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

For Nityanand Singh & Co.
Company Secretaries

Nityanand Singh
Proprietor
FCS No. 2668 CP No. 2388

Place: New Delhi
Date : 24th May 2016

Disclosure pursuant to Regulation 10(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. As on 24th May 2016 following persons constituted the 'Group':-

Promoters and persons acting in concert: Cementrum I B.V., HeidelbergCement AG, HeidelbergCement Asia Pte Ltd, CBR International Services S.A., Castle Cement Ltd., CBR Baltic B.V., CBR Portland B.V., Civil and Marine Slag Cement Ltd., Bukhtarma Cement Company LLP, HeidelbergCement Romania SA, Cementa AB, Ceskomoravsky Cement, a.s, Duna-Drava Cement Kft , ENCI Holding N.V., Gorazdze Cement S.A., Hanson Ltd., CaucasusCement Holding B.V., HeidelbergCement Central Europe East Holding B.V., HeidelbergCement Danmark A/S, HeidelbergCement International Holding GmbH, HeidelbergCement Netherlands Holding B.V., HeidelbergCement Northern Europe AB, HeidelbergCement Norway a.s., HeidelbergCement Sweden AB, HeidelbergCement UK Holding Ltd., HeidelbergCement Ukraine Public Joint Stock Company, Kunda Nordic Tsement AS, Norcem AS, S.A. Cimenteries CBR, Tvornica Cementa Kakanj d.d., Civil and Marine Inc., HeidelbergCement Inc., Lehigh B.V., Lehigh Hanson Materials Limited, Lehigh Southwest Cement Company, Permanente Cement Company, Butra HeidelbergCement Sdn. Bhd., Cimbenin S.A., Ciments du Togo S.A., Cochin Cements Ltd., Ghacem Ltd., HeidelbergCement Bangladesh Ltd., Liberia Cement Corporation Ltd., PT Indocement Tunngal Prakarsa Tbk, Scancem International DA, Sierra Leone Cement Corp. Ltd., TPCC Tanzania Portland Cement Company Ltd., HC Trading B.V., HC Trading Malta Ltd. and HC Fuels Limited.

Independent Auditor's Report

To

The Members of HeidelbergCement India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of HeidelbergCement India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 Company's preparation of the 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 Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 state of affairs of the Company as at 31 March 2016, its profit, and its cash flows 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 sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   - (e) On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164 (2) of the Act;
   - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 13.2 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 95169

Place of Signature: Gurgaon

Date: 24 May 2016

Annexure 1 referred to in paragraph 1 of our report of even date under Section 'Report on Other Legal and Regulatory Requirements'

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

(b) All fixed assets have not been physically verified by the management during the period but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2016 and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of cement, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

(a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act and Various State Sales Tax Act	Sales Tax	35.0	1994-95, 1997-98, 2000-01 to 2004-05 and 2009-2010	High Court
		11.0	1997-98, 2002-03 and 2007-08 to 2013-14	Appellate Tribunal
		3.3	2000-01 and 2001-02	Deputy Commissioner (Appeals)
		2.6	2000-01, 2011-12 and 2012-13	Additional Commissioner
		3.7	2006-07	Joint Commissioner (Appeals)
		100.9	2002-03 to 2007-08	Assessing Officer, Sales Tax
Various State Entry Tax Act	Entry Tax	571.0	2003-04 to till date	Supreme Court
		145.5	1999-2000 to 2007-08, 2009-10	Appellate Tribunal
Income Tax Act, 1961	Income Tax	9.2	2009-10 to 2013-2014	Commissioner of Income Tax (Appeals)
		8.3	2011-12 to 2013-14	Assessing officer
Central Excise Act, 1944	Excise Duty and Cenvat	7.9	2007-08	Supreme Court
		21.9	1995-96 to 2000-01	High Court
		44.5	2003-04 to 2010-11	Central Excise and Service Tax Appellate Tribunal
		14.5	2007-08 to 2013-14	Commissioner of Central Excise (Appeal)
Finance Act 1994 (Amended 2009)	Service Tax	13.3	2007-08 to 2012-13	Central Excise and Service Tax Appellate Tribunal
		1.0	2008-09 to 2009-10	Commissioner of Central Excise (Appeals)
Madhya Pradesh Rural Road Development Authority	Rural Infrastructure and Road development tax	23.9	2005-06 till date	Supreme Court

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to bank or debenture holders. The Company has no outstanding dues in respect of financial institutions.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud/material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 95169

Place of Signature: Gurgaon

Date: 24 May 2016

Annexure 2 to the independent auditor's report of even date on the financial statements of HeidelbergCement India Limited

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

To the Members of HeidelbergCement India Limited

We have audited the internal financial controls over financial reporting of HeidelbergCement India Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner
Membership Number: 95169

Place of Signature: Gurgaon

Date: 24 May 2016

Balance sheet as at 31 March 2016

Particulars	Notes	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Equity and liabilities			
Shareholders' funds			
Share capital	3	2,266.2	2,266.2
Reserves and surplus	4	6,690.0	6,449.4
		8,956.2	**8,715.6**
Non-current liabilities			
Long-term borrowings	5	6,860.9	9,248.9
Deferred tax liabilities (net)	6	748.9	652.2
Other long-term liabilities	9.1	30.2	29.3
Long-term provisions	7	191.6	207.6
		7,831.6	**10,138.0**
Current liabilities			
Short-term borrowings	8	700.0	-
Trade payables	9.2	1,859.6	1,909.9
Other current liabilities	9.2	5,069.4	5,525.2
Short-term provisions	7	2,074.8	1,908.4
		9,703.8	**9,343.5**
TOTAL		**26,491.6**	**28,197.1**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	18,998.1	17,888.1
Intangible assets	11	36.9	49.6
Capital work-in-progress	25	560.5	1,274.2
Long-term loans and advances	12	649.3	604.3
Other non-current assets	13.2	274.6	1,033.7
		20,519.4	**20,849.9**
Current assets			
Inventories	14	1,782.1	1,910.0
Trade receivables	13.1	257.6	191.4
Cash and bank balances	15	77.7	1,462.6
Short-term loans and advances	12	3,027.3	2,909.3
Other current assets	13.2	827.5	873.9
		5,972.2	**7,347.2**
TOTAL		**26,491.6**	**28,197.1**
Summary of significant accounting policies	2.1		

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

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors of HeidelbergCement India Limited

per Sanjay Vij
Partner
Membership No.: 95169

Anil Kumar Sharma
Chief Financial Officer

Kevin Gerard Gluskie
Director

P.G. Mankad
Chairman

Jamshed Naval Cooper
Managing Director

S. Krishna Kumar
Director

Place: Gurgaon
Date: 24 May 2016

Rajesh Relan
Legal Head & Company Secretary

Pradeep V. Bhide
Director

J-F Defalque
Director

Soek Peng Sim
Director

Sushil Kumar Tiwari
Wholetime Director

Statement of profit and loss for the period ended 31 March 2016

Particulars	Notes	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Continuing operations			
Income			
Revenue from operations (gross)	16	19,228.8	23,713.8
Less: excise duty		(2,675.7)	(3,271.0)
Revenue from operations (net)		**16,553.1**	**20,442.8**
Other income	17	154.8	138.4
Total revenue (I)		**16,707.9**	**20,581.2**
Expenses			
Cost of raw material consumed	18	3,427.8	4,438.3
Increase in inventories of finished goods and work-in-progress	19	(93.4)	(277.2)
Employee benefits expense	20	1,056.3	1,337.3
Other expenses	21	9,785.6	11,722.9
Total Expense (II)		**14,176.3**	**17,221.3**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**2,531.6**	**3,359.9**
Depreciation and amortization expense	22	940.0	1,385.7
Less: recoupment from revaluation reserve		-	(10.3)
Net depreciation and amortization expense		940.0	1,375.4
Finance costs	23	1,087.9	1,389.3
Profit before tax and exceptional items		**503.7**	**595.2**
Add: Exceptional items (refer note 38 (a))		-	603.1
Profit before tax		**503.7**	**1,198.3**
Tax expenses			
Current tax		107.5	91.3
Current tax/MAT related to earlier years		5.0	-
Less: MAT credit entitlement		(112.5)	(91.3)
Net current tax expense		**-**	**-**
Deferred tax charge		117.2	602.6
Total tax expense		**117.2**	**602.6**
Profit for the period from continuing operations (A)		**386.5**	**595.7**
Discontinued operations	38		
Loss before tax from discontinued operations		-	(0.4)
Tax expense of discontinued operations (refer note 38 (b))		-	-
Loss after tax from discontinued operations (B)		**-**	**(0.4)**
Profit for the period (A+B)		**386.5**	**595.3**
Earnings per equity share [nominal value of share ₹ 10 (31 March 2015: ₹ 10)]	24		
Basic and Diluted		1.71	2.63
Summary of significant accounting policies	2.1		

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

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: 24 May 2016

For and on behalf of the Board of Directors of HeidelbergCement India Limited

Anil Kumar Sharma
Chief Financial Officer

Kevin Gerard Gluskie
Director

P.G. Mankad
Chairman

Jamshed Naval Cooper
Managing Director

S. Krishna Kumar
Director

Rajesh Relan
Legal Head & Company Secretary

Pradeep V. Bhide
Director

J-F Defalque
Director

Soek Peng Sim
Director

Sushil Kumar Tiwari
Wholetime Director

Cash flow statement for the period ended 31 March 2016

Particulars	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Cash flow from operating activities		
Profit before tax from continuing operations	503.7	1,198.3
Loss before tax from discontinued operations	-	(0.4)
Profit before tax	**503.7**	**1,197.9**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense (net of recoupment from revaluation reserve)	940.0	1,375.4
Fixed assets written off	2.6	5.4
Profit on sale of fixed assets (net)	(6.4)	(4.2)
Profit on sale of discontinued operation (refer note 38)	-	(603.1)
Unrealized foreign exchange loss	0.4	0.1
Provision for mine reclamation expenses	-	22.5
Sundry balances written off	1.1	6.3
Provision/liabilities no longer required written back	(69.6)	(33.4)
Interest expenses	1,069.5	1,351.4
Interest income	(145.1)	(129.0)
Operating profit before working capital changes	**2,296.2**	**3,189.3**
Movements in working capital:		
Increase/(decrease) in trade payables and other liabilities	282.6	137.0
Increase/(decrease) in long-term and short-term provisions	172.2	442.2
Decrease/(increase) in trade receivables	(66.2)	(73.2)
Decrease/(increase) in inventories	127.9	(448.5)
Decrease/(increase) in long-term and short-term loans and advances	(115.8)	(765.5)
Cash generated from operations	**2,696.9**	**2,481.3**
Direct taxes paid (net of refunds)	(133.2)	(105.8)
Net cash flow from operating activities (A)	**2,563.7**	**2,375.5**
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress and capital advances	(1,250.0)	(1,728.2)
Proceeds from sale of fixed assets	32.6	7.6
Proceeds from sale of discontinued operation (refer note 38)	-	1,660.0
Interest received	136.7	122.5
Net cash flow from/(used in) investing activities (B)	**(1,080.7)**	**61.9**

Particulars		For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Cash flows from financing activities			
Proceeds from long-term borrowings		335.8	-
Repayments of long-term borrowings		(2,752.6)	-
Proceeds from short-term borrowings		700.0	-
Repayments of short-term borrowings		-	(642.0)
Interest paid		(1,151.1)	(1,474.2)
Net cash used in financing activities (C)		**(2,867.9)**	**(2,116.2)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		**(1,384.9)**	**321.2**
Cash and cash equivalents at the beginning of the period		1,462.6	1,141.4
Cash and cash equivalents at the end of the period		**77.7**	**1,462.6**
Components of cash and cash equivalents			
Cash on hand		0.7	1.3
Cheques on hand		15.6	1.0
Balance with banks- on current accounts		61.4	316.2
- on deposit accounts		-	1,144.1
Total cash and cash equivalents (note 15)		**77.7**	**1,462.6**
Summary of significant accounting policies	2.1		

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: 24 May 2016

For and on behalf of the Board of Directors of HeidelbergCement India Limited

Anil Kumar Sharma
Chief Financial Officer

Kevin Gerard Gluskie
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Managing Director

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Director

Rajesh Relan
Legal Head & Company Secretary

Pradeep V. Bhide
Director

J-F Defalque
Director

Soek Peng Sim
Director

Sushil Kumar Tiwari
Wholetime Director

Notes to Financial Statements for the Period ended 31 March 2016

1. CORPORATE INFORMATION

HeidelbergCement India Limited (hereinafter referred to as "HCIL" or "the Company") is a company domiciled in India. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing of Portland cement at its three locations viz. Ammasandra (Karnataka), Damoh (Madhya Pradesh) and Jhansi (Uttar Pradesh).

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made/revaluation is carried out and derivative financial instruments which have been measured at fair value. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

Change in accounting policy

Pursuant to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed asset. The Company has reassessed the estimated useful life of fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Further, the company identifies and determines cost of each component/part of the asset separately, if the component/part have a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The company has used transitional provisions of Schedule II to adjust the above impact arising on its first application. If an asset has zero remaining useful life on the date of transitional provisions of Schedule II becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the opening balance of retained earnings. The carrying amount of other assets whose remaining useful life is not Nil on 1 April 2015, is depreciated over their remaining useful lives.

Had the company continued to use the earlier policy of depreciating fixed asset, its financial statements for the year would have been impacted as below:

Depreciation for the current year would have been higher by ₹ 181.8 million. Profit for the current period would have been lower by ₹ 118.9 million (net of tax impact of ₹ 62.9 million). Fixed asset would correspondingly have been lower by ₹ 181.8 million.

On the date of transitional provisions of Schedule II becoming applicable, i.e., 1 April 2015, depreciation of ₹ 59.4 million on account of assets whose useful life is already exhausted as on 1 April 2015 and deferred tax liability of ₹ 20.6 million thereon have been adjusted against opening balance of retained earnings.

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible fixed assets

Fixed assets are stated at cost or revalued amounts, as the case may be, net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

In case of revaluation of fixed assets, any revaluation surplus is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of

profit and loss, in which case the increase is recognized in the statement of profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c) Depreciation on tangible fixed assets

(i) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its fixed assets.

Particulars	Useful lives estimated by the management (years)
Leasehold Land	5 – 20
Buildings	10– 60
Railway Siding	15
Plant and equipments	3 – 25
Furniture and fixtures	10
Vehicles	8

(ii) Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase.

(iii) Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over their technically assessed useful lives, as mentioned below:

Intangible Assets	Estimated Useful Lives (Years)
Software	5

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. For the purpose of accounting of impairment, due consideration is given to revaluation reserve, if any.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

f) Inventories

Inventories are valued as follows:

Raw materials, stores and spares and packing materials	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 is determined on a weighted average basis and includes cost incurred in bringing the material to its present location and condition.
Work-in-progress and finished goods	Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
Scrap	Net realizable 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.

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

(i) Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the amount of revenue (gross) and not the entire amount of liability arise during the year. Sales are reported net of sales tax, incentives and rebates.

(ii) Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

h) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

i) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

j) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit & loss on a straight line basis over the lease term.

k) Foreign currency translations

Foreign currency transactions and balances

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

l) Derivative financial instruments and hedge accounting

The Company uses derivative financial instrument such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedge, which is recognised in Hedging Reserve Account included in the Reserves and Surplus while any ineffective portion is recognised immediately in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability

(ii) Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in shareholder's funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to statement of profit and loss for the period.

m) Retirement and other employee benefits

(i) Superannuation Fund (being administered by Trusts) and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the statement of profit and loss for the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

(ii) Retirement benefits in the form of provident fund contributed to statutory provident fund is a defined contribution scheme and the payments are charged to the statement of profit and loss for the period when the payments to the respective funds are due. There are no obligations other than contribution payable to provident fund authorities.

(iii) Retirement benefits in the form of provident fund contributed to trust set up by the employer is a defined benefit scheme and the amounts are charged to the statement of profit and loss for the period when the payments to the trust are due. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(iv) Gratuity liability (being administered by a Trust) is a defined benefit obligation and is provided for on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year.

Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

(v) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

o) Segment reporting

The Company is primarily engaged in the manufacturing of cement and hence entire operation represents a single primary segment. The company operates within India only and hence geographical segment is not applicable to the company.

p) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation at the reporting date. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

r) 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 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 and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

s) Mine reclamation expenses

The Company provides for the estimated expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year.

Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.

t) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company includes interest income included under other income but does not include depreciation and amortization expense, finance costs and tax expense.

3. SHARE CAPITAL

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Authorized shares		
230,000,000 (31 March 2015: 230,000,000) equity shares of ₹ 10/- each	2,300.0	2,300.0
5,000,000 (31 March 2015: 5,000,000) preference shares of ₹ 100/- each	500.0	500.0
Issued shares		
226,631,309 (31 March 2015: 226,631,309) equity shares of ₹ 10/- each	2,266.3	2,266.3
Subscribed and paid-up shares		
226,613,116 (31 March 2015: 226,613,116) equity shares of ₹ 10/- each fully paid up	2,266.1	2,266.1
18,193 (31 March 2015: 18,193) forfeited equity shares of ₹ 10/- each (₹ 5/- each paid up)	0.1	0.1
	2,266.2	**2,266.2**

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

Equity shares

	31 March 2016		31 March 2015	
	Numbers	₹ in million	Numbers	₹ in million
At the beginning of the period	226,613,116	2,266.1	226,613,116	2,266.1
Outstanding at the end of the period	**226,613,116**	**2,266.1**	226,613,116	**2,266.1**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Cementrum I B V, the holding company		
157,244,693 (31 March 2015: 157,244,693) equity shares of ₹ 10/- each fully paid	1,572.4	1,572.4

d. Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31 March 2016		31 March 2015	
	Numbers	% holding in the class	Numbers	% holding in the class
Equity shares of ₹ 10/- each fully paid				
Cementrum I B V, the holding company	157,244,693	69.39%	157,244,693	69.39%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. RESERVES AND SURPLUS

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Capital reserve	**549.7**	**549.7**
Capital subsidy reserve	**6.4**	**6.4**
Capital redemption reserve	**159.9**	**159.9**
Securities premium account	**3,707.1**	**3,707.1**
Revaluation reserve		
Balance as per the last financial statements	123.1	133.4
Less: amount transferred to the statement of profit and loss as reduction from depreciation (refer note 22)	-	(10.3)
Closing balance	**123.1**	**123.1**
Hedge fluctuation reserve (refer note 30)		
Balance as per the last financial statements	144.3	347.3
Add: Fair value change recognized	(107.1)	(203.0)
Closing balance	**37.2**	**144.3**
Debenture redemption reserve		
Balance as per the last financial statements	173.4	-
Add: amount transferred from surplus balance in the statement of profit and loss	134.1	173.4
Closing balance	**307.5**	**173.4**
Surplus in the statement of profit and loss		
Balance as per last financial statements	1,585.5	1,163.6
Profit for the period	386.5	595.3
Less: Appropriations		
Transfer to debenture redemption reserve	(134.1)	(173.4)
Depreciation on fixed assets whose useful lives ended on or before 31 March 2015 (net of deferred tax of ₹ 20.6 million) (refer note 2.1 and 10)	(38.8)	-
Net surplus in the statement of profit and loss	**1,799.1**	**1,585.5**
Total reserves and surplus	**6,690.0**	**6,449.4**

5. LONG-TERM BORROWINGS

	Non-current portion		Current maturities	
	31 March 2016 ₹ in million	31 March 2015 ₹ in million	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Debentures				
370 (31 March 2015: 370), 10.4% redeemable, listed, non-convertible debentures of ₹ 10,000,000/- each (unsecured)	3,700.0	3,700.0	-	-
Term loans				
Indian rupee loan from a party other than banks (unsecured)	1,835.8	1,500.0	-	-
Foreign currency loan from a party other than banks (Unsecured)	1,325.1	4,048.9	2,981.5	3,737.5
	6,860.9	**9,248.9**	**2,981.5**	**3,737.5**
The above amount includes				
Secured borrowings	-	-	-	-
Unsecured borrowings	6,860.9	9,248.9	2,981.5	3,737.5
Amount disclosed under the head "other current liabilities" (refer note 9.2)	-	-	(2,981.5)	(3,737.5)
Net amount	**6,860.9**	**9,248.9**	**-**	**-**

a. Debentures

10.4% Debentures (listed at BSE Limited) are redeemable at par in three tranches of ₹ 1,250.0 million, ₹ 1,250.0 million and ₹ 1,200.0 million at the end of 6th, 7th and 8th year respectively from the date of allotment of 16 December 2013. The Company has the option on or prior to the redemption date to buy-back, purchase, redeem, re-sell and/or re-issue all or part of debentures from the debenture holders, subject to such debenture holders having the discretion to offer its debentures in response to the Company exercising such an option.

b. India rupee loan from a party other than banks:

(i) The Company has availed Indian rupees term loan in the form of External Commercial Borrowing (ECB) from HeidelbergCement AG, Germany, the ultimate holding company amounting to ₹ 1,500.0 million (31 March 2015: ₹ 1,500.0 million) on unsecured basis. This is repayable on completion of 5 years from the date of drawdown of the respective tranches.

(ii) The Company has availed the facility of interest free loan from 'The Pradeshiya Industrial and Investment Corporation of U.P. Ltd.' ('PICUP), Lucknow in accordance with the 'Industrial Investment Promotion Scheme-2012', Uttar Pradesh. This loan is repayable after expiry of 7 (Seven) years from the date of disbursement of loan.

c. Foreign currency loan from a party other than banks:

The Company has availed foreign currency term loan in the form of External Commercial Borrowing (ECB) in US Dollars from the parent company Cementrum I.B.V. amounting to USD 65 million equivalent to ₹ 4,306.6 million (31 March 2015: USD 125 million equivalent to ₹ 7,786.4 million) on unsecured basis at a rate linked to LIBOR. The loan is repayable after a period of 5 years from the date of drawdown of the respective tranches. Exposure of fluctuation in foreign currency and LIBOR rate have been hedged through a Cross Currency Interest Rate Swap agreement with a bank whereby Company's liability of repayment of loan is converted and fixed in Indian rupees and interest rate is fixed for the entire duration of such loans.

d. Interest rate in respect of above borrowings mentioned in (b)(i) and (c) are in range of 7.65% p.a to 10.5% p.a (31 March 2015: 7.65% p.a to 10.5% p.a).

6. DEFERRED TAX LIABILITIES (NET)

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,337.1	1,957.9
Impact of expenditure allowed for tax purposes on payment basis but not charged to statement of profit & loss	140.6	140.6
Gross deferred tax liabilities	**2,477.7**	**2,098.5**
Deferred tax asset		
Unabsorbed deprecation/carry forward tax losses	1,382.1	1,099.8
Impact of expenditure charged to statement of profit and loss but allowable for tax purposes on payment basis	333.5	320.4
Provision for doubtful debts and advances	11.3	11.5
Others	1.9	14.6
Gross deferred tax asset	**1,728.8**	**1,446.3**
Net deferred tax liability	**748.9**	**652.2**

7. PROVISIONS

	Long-term		Short-term	
	31 March 2016 ₹ in million	31 March 2015 ₹ in million	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Provision for employee benefits				
Provision for gratuity (refer note 33)	191.6	172.0	19.4	20.2
Provision for leave benefits	-	-	63.6	60.1
	191.6	**172.0**	**83.0**	**80.3**
Other provisions				
Provision for litigation (refer note 29 (b))	-	-	1,972.7	1,828.0
Provision for mine reclamation expenses (refer note 29 (c))	-	35.6	19.1	-
Provision for wealth tax	-	-	-	0.1
	-	**35.6**	**1,991.8**	**1,828.1**
	191.6	**207.6**	**2,074.8**	**1,908.4**

8. SHORT-TERM BORROWINGS

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Working capital loan from a bank (unsecured)	700.0	-
	700.0	**-**

9.1 OTHER LONG-TERM LIABILITIES

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Trade payables	30.2	29.3
	30.2	**29.3**

9.2 OTHER CURRENT LIABILITIES

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Trade payables (refer note 34 for details of dues to micro, small and medium enterprises)	1,859.6	1,909.9
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	2,981.5	3,737.5
Interest accrued but not due on borrowings	161.0	163.3
Trade and other deposits	1,201.4	933.4
Payable against purchase of fixed assets	233.9	220.3
Advance from customers	261.0	241.5
Others		
Interest accrued on security deposits	31.3	26.9
Withholding income tax (TDS) payable	44.8	39.3
Value added tax/sales tax payable	96.9	97.5
Excise and service tax payable	33.7	20.0
Other statutory dues	23.9	45.5
	5,069.4	**5,525.2**
	6,929.0	**7,435.1**

10. TANGIBLE ASSETS

11. INTANGIBLE ASSETS

(₹ in million)

Particulars	Freehold non mining Land	Freehold mining Land	Leasehold Land	Buildings	Railway Siding	Plant and equipment	Furniture and fixtures	Vehicles	Total	Computer software	Total
Cost or valuation											
At 1 January 2014	110.2	220.7	42.0	1,479.4	209.1	22,905.3	195.6	162.9	**25,325.2**	53.4	**53.4**
Additions/adjustments	13.1	55.2	-	145.2	122.6	1,597.1	2.5	8.7	**1,944.4**	50.7	**50.7**
Disposals**	(31.4)	-	-	(104.2)	-	(1,501.5)	(34.0)	(16.4)	**(1,687.5)**	-	-
At 31 March 2015	**91.9**	**275.9**	**42.0**	**1,520.4**	**331.7**	**23,000.9**	**164.1**	**155.2**	**25,582.1**	**104.1**	**104.1**
Additions/adjustments	14.6	97.9	1.0	40.6	11.6	1,941.9	13.7	2.3	**2,123.6**	1.9	**1.9**
Disposals	-	-	-	(1.0)	-	(230.0)	(1.8)	(3.1)	**(235.9)**	-	-
At 31 March 2016	**106.5**	**373.8**	**43.0**	**1,560.0**	**343.3**	**24,712.8**	**176.0**	**154.4**	**27,469.8**	**106.0**	**106.0**
Depreciation/Amortization											
At 1 January 2014	-	6.8	16.3	378.9	105.6	6,778.0	115.9	62.1	**7,463.6**	41.8	**41.8**
Charge for the period*	-	12.1	2.0	51.2	14.5	1,261.7	19.6	12.7	**1,373.8**	12.7	**12.7**
Disposals**	-	-	-	(29.5)	-	(1,073.5)	(27.0)	(13.4)	**(1,143.4)**	-	-
At 31 March 2015	**-**	**18.9**	**18.3**	**400.6**	**120.1**	**6,966.2**	**108.5**	**61.4**	**7,694.0**	**54.5**	**54.5**
Adjusted out of retained earnings under Note 4 (also refer 2.1)		-	-	39.6	0.9	15.3	2.8	-	**58.6**	0.8	**0.8**
Charge for the year*	-	11.8	1.6	86.4	14.1	789.2	13.3	9.8	**926.2**	13.8	**13.8**
Disposals	-	-	-	(0.8)	-	(201.6)	(1.8)	(2.9)	**(207.1)**	-	-
At 31 March 2016	**-**	**30.7**	**19.9**	**525.8**	**135.1**	**7,569.1**	**122.8**	**68.3**	**8,471.7**	**69.1**	**69.1**
Net Block											
At 31 March 2015	**91.9**	**257.0**	**23.7**	**1,119.8**	**211.6**	**16,034.7**	**55.6**	**93.8**	**17,888.1**	**49.6**	**49.6**
At 31 March 2016	**106.5**	**343.1**	**23.1**	**1,034.2**	**208.2**	**17,143.7**	**53.2**	**86.1**	**18,998.1**	**36.9**	**36.9**

Note:

1. Revaluations:

(a) Certain fixed Assets were revalued based on current replacement cost by approved valuers on 1 July 1981, 31 March 1990 and 31 March 1992. These had resulted in increase in book value of fixed assets by ₹ 2,633.0 million (gross) and accumulated depreciation by ₹ 475.3 million resulting in net increase of ₹ 2,157.7 million which were credited to Revaluation Reserve.

(b) Gross block of freehold land, building, railway siding and plant and equipment include ₹ 28.7 million (31 March 2015: ₹ 28.7 million), ₹ 228.5 million (31 March 2015: ₹ 228.5 million), ₹ 16.2 million (31 March 2015: ₹ 16.2 million) and ₹ 1,508.8 million (31 March 2015: ₹ 1,508.8 million) respectively on account of above revaluation. Further accumulated depreciation of building, railway siding and plant and equipment include ₹ 150.4 million (31 March 2015: ₹ 145.6 million), ₹ 16.2 million (31 March 2015: ₹ 16.2 million) and ₹ 1,501.9 million (31 March 2015: ₹ 1,497.3 million) respectively on account of revaluation.

(c) Depreciation for the year includes ₹ Nil (31 March 2015:: ₹ 10.3 million) in respect of increased value of fixed assets due to above revaluation and an equivalent amount has been recouped from Revaluation Reserve.

2. Capitalised borrowing cost:

The borrowing cost capitalised during the year ended 31 March 2016 was ₹ 91.2 million (31 March 2015: ₹ 154.1 million).

3. Assets having written down value amounting to ₹ 37.7 million (31 March 2015: ₹ 69.0 million) are being held for disposal in the near future.

* Depreciation for the year includes an amount of ₹ Nil (31 March 2015: ₹ 0.8 million) transferred to expenditure during construction period. (refer note 25).

** Disposals include gross block of ₹ 1,562.5 million and accumulated depreciation of ₹ 1,027.2 million of Raigad plant transferred to JSW Steel Limited on 3 January 2014 in pursuant to a Business Transfer Agreement dated 5 October 2013 (also refer note 38).

12. LOANS AND ADVANCES

	Non-current		Current	
	31 March 2016 ₹ in million	31 March 2015 ₹ in million	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Unsecured, considered good (refer note 37)	171.1	256.0	-	-
(A)	**171.1**	**256.0**	**-**	**-**
Advances recoverable in cash or kind				
Unsecured considered good	-	-	66.6	142.1
(B)	**-**	**-**	**66.6**	**142.1**
Other loans and advances				
Advance income-tax (net of provision for taxation)	78.3	57.6	-	-
MAT credit entitlement	345.5	233.0	-	-
Prepaid expenses	54.4	57.7	41.5	41.6
Security deposits	-	-	384.8	345.5
Balances with statutory/government authorities and Others				
- Considered good	-	-	1,925.0	1,773.5
- Doubtful	-	-	9.2	9.9
VAT receivable	-	-	429.8	359.9
CENVAT Receivable	-	-	166.8	239.1
Other loans and advances	-	-	12.8	7.6
	478.2	**348.3**	**2,969.9**	**2,777.1**
Provision for doubtful deposits	**-**	**-**	(9.2)	(9.9)
(C)	**478.2**	**348.3**	**2,960.7**	**2,767.2**
Total (A+ B + C)	**649.3**	**604.3**	**3,027.3**	**2,909.3**

13. TRADE RECEIVABLES AND OTHER ASSETS

13.1 TRADE RECEIVABLES

	Current	
	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	24.7
Doubtful	23.4	23.4
	23.4	**48.1**
Provision for doubtful receivables	(23.4)	(23.4)
(A)	**-**	**24.7**
Other receivables		
Unsecured, considered good	257.6	166.7
(B)	**257.6**	**166.7**
Total (A + B)	**257.6**	**191.4**

13.2 OTHER ASSETS

	Non-current		Current	
	31 March 2016 ₹ in million	31 March 2015 ₹ in million	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Interest accrued on bank deposits	-	-	-	5.5
Interest accrued on other deposits	-	-	19.4	5.5
Derivative assets (refer note 30)	274.6	1,033.7	808.1	862.9
	274.6	**1,033.7**	**827.5**	**873.9**

14. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Raw materials (refer note 18)	113.8	189.9
Work-in-progress (refer note 19)	688.9	739.4
Finished goods (refer note 19)	465.1	321.2
Stores and spares (includes in transit ₹ Nil)	514.3	659.5
(31 March 2015: ₹ 17.1 million)		
	1,782.1	**1,910.0**

15. CASH AND BANK BALANCES

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Cash and cash equivalents		
Balances with banks:		
On current accounts	61.4	316.2
Deposits with original maturity of less than three months	-	1,144.1
Cheques on hand	15.6	1.0
Cash on hand	0.7	1.3
	77.7	**1,462.6**

16. REVENUE FROM OPERATIONS

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Revenue from operations		
Sale of products		
Cement	18,769.5	23,225.1
Clinker	187.5	157.9
	18,957.0	**23,383.0**
Other operating revenue		
VAT incentive (refer note 36)	151.7	226.2
Scrap sales	35.1	58.4
Provisions/liabilities no longer required written back	69.6	33.4
Miscellaneous income	15.4	12.8
	271.8	**330.8**
Revenue from operations (gross)	**19,228.8**	**23,713.8**
Less: Excise duty (refer note 32)	(2,675.7)	(3,271.0)
Revenue from operations (net)	**16,553.1**	**20,442.8**

17. OTHER INCOME*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Interest income on bank deposits	107.6	104.1
Interest income on other deposits	37.5	24.9
Rent	3.3	4.4
Profit on sale of fixed assets (net)	6.4	4.2
Exchange rate difference	-	0.8
	154.8	**138.4**

18. COST OF RAW MATERIAL CONSUMED*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Inventory at the beginning of the period	189.9	566.2
Add: Purchases	3,351.7	4,557.3
Less: Transferred pursuant to business transfer agreement (refer note 38)	-	(495.3)
	3,541.6	**4,628.2**
Less: inventory at the end of the period	(113.8)	(189.9)
Cost of raw material consumed	**3,427.8**	**4,438.3**

Details of raw material consumed

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Limestone	425.0	500.0
Pozzolona	567.7	695.3
Slag	122.1	150.3
Gypsum	589.8	854.1
Packing material	660.1	960.6
Others	1,063.1	1,278.0
	3,427.8	**4,438.3**

Details of inventory

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Raw material		
Lime stone purchased	5.8	9.1
Pozzolona	4.5	0.4
Slag	9.9	8.0
Gypsum	67.4	122.3
Packing materials	12.4	33.1
Others	13.8	17.0
	113.8	**189.9**

* Directly attributable income/expenses in relation to project under construction have been transferred to capital work in progress (refer note 25).

19. INCREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million	(Increase)/ decrease ₹ in million
Inventories at the end of the period			
Work-in-progress	688.9	739.4	50.5
Finished goods	465.1	321.2	(143.9)
	1,154.0	**1,060.6**	**(93.4)**
Add: Transferred pursuant to the business transfer agreement (Refer note 38)			
Work-in-progress	-	1.2	1.2
Finished goods	-	15.4	15.4
	-	**16.6**	**16.6**
Less: Inventories at the beginning of the period			
Work-in-progress	739.4	436.7	(302.7)
Finished goods	321.2	353.3	32.1
Scrap stock	-	10.0	10.0
	1,060.6	**800.0**	**(260.6)**
	(93.4)	**(277.2)**	

Details of inventory

	31 March 2016 ₹ in million	31 March 2015 ₹ in million
Work-in-progress		
Uncrushed limestone	54.7	68.5
Crushed limestone	199.6	193.3
Raw meal	20.6	16.0
Clinker	414.0	461.6
	688.9	**739.4**
Finished goods		
Cement	465.1	321.2
	465.1	**321.2**

20. EMPLOYEE BENEFIT EXPENSE*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Salary, wages and bonus	913.6	1,142.3
Contribution to provident and other funds	59.9	73.0
Gratuity expense (refer note 33)	37.8	56.3
Staff welfare expenses	45.0	66.1
	1,056.3	**1,337.7**
Less: Pertaining to discontinued operation (refer note 38)	-	(0.4)
	1,056.3	**1,337.3**

*Directly attributable income/expenses in relation to project under construction have been transferred to capital work in progress (refer note 25).

21. OTHER EXPENSES*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Consumption of stores and spares	661.8	744.3
Freight and forwarding	2,323.6	2,742.8
(Increase)/decrease of excise duty on inventory	30.0	(8.1)
Power & fuel	4,520.4	5,624.1
Rent	28.2	29.1
Repairs and maintenance		
- Buildings	54.8	52.2
- Plant and machinery	201.5	205.9
- Others	4.3	9.3
Insurance	12.8	22.1
Rates and taxes	589.3	622.2
Travelling expenses	67.0	106.8
Directors fees	1.7	1.5
Payment to auditor		
As auditor:		
Audit fees	9.4	8.0
Tax audit fees	0.5	3.0
Limited reviews	2.9	3.8
Reimbursement of expenses	0.9	0.7
Legal and professional expenses**	30.3	34.3
Technical know how fees	170.0	212.5
Printing and stationery	9.4	12.9
Communication expenses	78.6	38.9
Advertisement and publicity expenses	153.2	150.9
Commission on sale	607.1	788.6
Cement handling expenses	96.7	110.6
Fixed asset written off	2.6	5.4
Sundry balances written off	1.1	6.3
Loss on foreign currency transactions	0.4	0.1
Miscellaneous expenses#	127.1	194.7
	9,785.6	**11,722.9**

* Directly attributable expenses in relation to project under construction have been transferred to capital work in progress (refer note 25).

** excluding direct expenses amounting to ₹ Nil (31 March 2015: ₹ 8.6 million) which have been adjusted in net gain on sale of Raigad plant (refer note 38).

\# including amount spent during the year in relation to CSR activities ₹ 10.3 million (31 March 2015: ₹ 10.7 million) (refer note 39).

22. DEPRECIATION AND AMORTIZATION EXPENSE*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Depreciation of tangible assets	926.2	1,373.0
Amortization of intangible assets	13.8	12.7
	940.0	**1,385.7**
Less: recoupment from revaluation reserve	-	(10.3)
	940.0	**1,375.4**

23. FINANCE COSTS*

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Interest:		
On borrowings	1,007.3	1,282.9
Others	62.2	68.5
Bank charges and guarantee commission	18.4	37.9
	1,087.9	**1,389.3**

* Directly attributable expenses in relation to project under construction have been transferred to capital work in progress (refer note 25).

24. EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the 12 months ended 31 March 2016 ₹ in million	For the 15 months ended 31 March 2015 ₹ in million
Profit after tax available to equity shareholders	386.5	595.3
Net profit for calculation of basic/Diluted EPS	**386.5**	**595.3**
	No. in million	**No. in million**
Weighted average number of equity shares in calculating Basic/Diluted EPS	**226.6**	**226.6**
Basic and diluted EPS	**1.71**	**2.63**

25. CAPITAL WORK IN PROGRESS AND CAPITALISATION OF EXPENDITURE

(a) Capital work in progress include tangible assets amounting to ₹ 560.5 million (31 March 2015: ₹ 1,274.2 million).

(b) Capital work in progress includes an amount ₹ 217.1 million (31 March 2015: ₹ 1,003.1 million) towards setting up of Waste Heat Recovery (WHR) Power Plant at its clinkerisation unit at Narsingarh, adjacent to the Kilns to generate power from waste heat. The same is being setup as a separate unit for generation of approximately 12 to 13 MW of power. The Company intends to utilize the energy generated by WHR for captive consumption. The Company has capitalised two lines which has commenced commercial production in February'2016. Closing balance of ₹ 217.1 million pertains to remaining one line which is expected to be commissioned in 2016-17.

(c) Capital work-in-progress relating to tangible fixed assets includes capital items in transit amounting to ₹ Nil (31 March 2015: ₹ 5.7 million).

(d) During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed assets/ Capital work in progress which are incurred during construction period on substantial expansion of existing units/ new projects/intangible assets of the Company. Consequently, expenses disclosed under the respective notes are net of amount capitalised by the company:

(₹ in million)

Particulars	Opening balance as at 1 January 2014	Additions during the period	Capitalisation during the period	Closing balance as at 31 March 2015	Additions during the year	Capitalisation during the year	Closing balance as at 31 March 2016
Salary, wages and Bonus	30.9	11.6	34.6	7.9	7.2	11.1	4.0
Staff welfare expenses	-	0.4	0.3	0.1	1.9	1.6	0.4
Power & fuel	3.2	12.9	4.0	12.1	6.3	8.8	9.6
Rent	8.1	1.0	9.1	-	-	-	-
Rates and taxes	-	0.7	-	0.7	1.2	1.6	0.3
Travelling expenses	3.0	1.9	3.3	1.6	5.2	4.9	1.9
Legal and professional expenses	40.3	32.7	43.1	29.9	28.6	40.6	17.9
Miscellaneous Expenses	37.7	11.0	43.6	5.1	3.1	5.6	2.6
Depreciation and amortization expenses	3.6	0.8	4.4	-	-	-	-
Interest	120.1	74.8	154.1	40.8	63.1	91.2	12.7
Guarantee commission (included in bank charges and guarantee commission)	1.8	-	1.8	-	-	-	-
Total expenditure during construction period	**248.7**	**147.8**	**298.3**	**98.2**	**116.6**	**165.4**	**49.4**
Less: Scrap sale (net of excise duty)	(18.4)	-	(18.4)	-	-		-
Less: Interest income on bank deposits	(1.3)	-	(1.3)	-	-		-
Total	**229.0**	**147.8**	**278.6**	**98.2**	**116.6**	**165.4**	**49.4**

26. RELATED PARTY DISCLOSURE

(a) Names of related parties and related party relationship:

Names of related parties where control exists irrespective of whether transactions have occurred or not:	
Ultimate holding company	HeidelbergCement AG
Holding company	Cementrum I.B.V
Related parties under AS 18 with whom transactions have taken place during the period:	
Fellow subsidiaries	HeidelbergCement Asia Pte Ltd Cochin Cement Limited PT Indocement Tunggal Prakarsa Tbk
Key management personnel	Mr. Sushil Kumar Tiwari, Whole Time Director
Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year:	
Chief Financial Officer	Mr. Anil Sharma (w.e.f. 1 April 2014)
Company Secretary	Mr. Rajesh Relan (w.e.f. 1 April 2014)

(b) Related party transactions

The following table provides the total amount of transactions that have been entered in to with related parties for the relevant periods:

(₹ in million)

Particulars	Enterprises where controls exists		Fellow Subsidiaries		Key Management Personnel		Total	
	Mar-16	Mar-15	Mar-16	Mar-15	Mar-16	Mar-15	Mar-16	Mar-15
Transactions with Cementrum I B.V.:								
- Interest on ECB	**236.6**	275.1	**-**	-	**-**	-	**236.6**	275.1
- ECB repaid	**2,752.6**	-	**-**	-	**-**	-	**2,752.6**	-
Transactions with HeidelbergCement AG:								
- Corporate Guarantee Charges	**-**	13.4	**-**	-	**-**	-	**-**	13.4
- Payroll cost reimbursed	**4.4**	6.9	**-**	-	**-**	-	**4.4**	6.9
- Group Overhead Recharge	**5.1**	-	-	-	-	-	**5.1**	-
- SAP License Fees	**-**	13.0	**-**	-	**-**	-	**-**	13.0
- End-user workstation charges	**61.0**	7.0	**-**	-	**-**	-	**61.0**	7.0
- Guarantees Lapsed/ cancelled	**-**	4,450.0	**-**	-	**-**	-	**-**	4,450.0
- Interest on ECB & Debentures	**543.5**	676.0	**-**	-	**-**	-	**543.5**	676.0
Transactions with Cochin Cement Limited:								
- Sale of Clinker	**-**	-	**81.9**	88.0	**-**	-	**81.9**	88.0
- Expenses Recovered	**-**	-	**34.0**	32.5	**-**	-	**34.0**	32.5
Transactions with HeidelbergCement Asia Pte Limited:								
- Technical Know How Fee	**-**	-	**170.0**	212.5	**-**	-	**170.0**	212.5
- Other Receipts	**-**	-		-	**-**	-		-
Transactions with PT Indocement Tunggal Prakarsa Tbk								
- ERP Maintenance Charges	**-**	-	**-**	1.7	**-**	-	**-**	1.7
Transactions with key management personnel**								
Mr. Sushil Kumar Tiwari, Whole Time Director								
- Salary, wages, bonus and allowances	**-**	-	**-**	-	**13.6**	17.7	**13.6**	17.7
- Contribution to provident and other fund	**-**	-	**-**	-	**1.4**	1.6	**1.4**	1.6
Mr. Anil Sharma, Chief Financial Officer								
- Salary, wages, bonus and allowances	**-**	-	**-**	-	**12.8**	14.1	**12.8**	14.1
- Contribution to provident and other fund	**-**	-	**-**	-	**1.3**	1.3	**1.3**	1.3
Mr. Rajesh Relan, Company Secretary								
- Salary, wages, bonus and allowances	**-**	-	**-**	-	**4.7**	4.7	**4.7**	4.7
- Contribution to provident and other fund	**-**	-	**-**	-	**0.2**	0.2	**0.2**	0.2

(₹ in million)

Particulars	Enterprises where controls exists		Fellow Subsidiaries		Key Management Personnel		Total	
	Mar-16	Mar-15	Mar-16	Mar-15	Mar-16	Mar-15	Mar-16	Mar-15
Balance outstanding at the year end								
Receivable								
- Cochin cements Limited	**-**	-	**35.5**	18.7	-	-	**35.5**	18.7
Payable								
- HeidelbergCement AG	**23.1**	6.9	**-**	-	**-**	**-**	**23.1**	6.9
- HeidelbergCement Asia Pte Limited	**-**	-	**76.5**	38.3	-	**-**	**76.5**	38.3
Loans taken*								
- Cementrum I.B.V	**4,306.6**	7,786.4	**-**	**-**	**-**	**-**	**4,306.6**	7,786.4
- HeidelbergCement AG	**1,500.0**	1,500.0	**-**	**-**	**-**	**-**	**1,500.0**	1,500.0
Issue of debenture								
- HeidelbergCement AG	**3,700.0**	3,700.0	**-**	**-**	**-**	**-**	**3,700.0**	3,700.0
Interest accrued but not due on ECB loan								
- Cementrum I.B.V	**35.4**	39.2	**-**	**-**	**-**	**-**	**35.4**	39.2
- HeidelbergCement AG	**20.2**	19.4	**-**	**-**	**-**	**-**	**20.2**	19.4
Interest accrued but not due on debenture								
- HeidelbergCement AG	**105.5**	104.7	**-**	**-**	**-**	**-**	**105.5**	104.7

* Change of ₹ 3,479.8 million (31 March 2015: ₹ 60.2 million) in ECB loan amount payable to Cementrum IBV as at 31 March 2016 is on account of repayment amounting to ₹ 2,752.6 million and balance on account of reinstatement at closing exchange rate.

** As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the director are not included above.

27. The Company has taken various residential premises, office premises and warehouses under operating lease agreements. These are generally cancellable and are renewable by mutual consent on mutually agreed terms except one office premises which is taken on a non-cancellable lease. The Company has recognized ₹ 17.7 million (31 March 2015: ₹ 21.4 million) in respect of cancellable operating leases and ₹ 10.8 million (31 March 2015: ₹ 10.1 million) in respect of non-cancellable operating leases.

Operating Lease (Non-Cancellable)

The total of future minimum lease payments under non- cancellable operating leases for each of the following periods:

(₹ in million)

S. No.	Particulars	Mar-16	Mar-15
(i)	Not later than one year;	**12.2**	4.7
(ii)	Later than one year and not later than five years;	**18.3**	-
(iii)	Later than five years;	**-**	-

Out of the total rent recognised, ₹ 0.3 million (31 March 2015: ₹ 1.4 million) relating to residential accommodation provided to the employees has been shown under Employee benefit expenses.

₹ Nil (31 March 2015: ₹ 1.0 million) relating to a non-cancellable operating lease has been capitalized during the current year.

28. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 105.5 million (31 March 2015: ₹ 623.7 million).

29. CONTINGENCIES AND PROVISION FOR LITIGATIONS

(a) Contingent liabilities not provided for

(₹ in million)

Particulars	31 March 2016	31 March 2015
- Excise Duty/Service Tax/CENVAT Credit	**93.7**	104.1
- Sales Tax/Trade Tax/Entry Tax	**135.6**	135.7
- Income Tax	**31.0**	12.4
- Differential Royalty on Limestone*	**2,492.2**	2,505.1
- Claims not acknowledged by the Company	**113.7**	109.2
Total	**2,866.2**	**2,866.5**

*The Company had filed writ petition against the order of the Madhya Pradesh State Mining Department (referred as 'department') towards payment of additional royalty on limestone based on the ratio of 1.6 tonnes of limestone to 1 tonne of cement produced. The Company holds the view that the payment of royalty on limestone is correctly made based on the actual quantity of limestone extracted from the mining area. All writ petitions & writ appeals filed by the cement manufacturers regarding Royalty have been disposed off by Madhya Pradesh High Court vide its Order dated 8th July 2014 and it has quashed and set aside the department's contention to use notional conversion factor of 1.6 instead of actual consumption. Further, the matter has been relegated before the Assessing Officer for re-examination of the entire matter afresh from the stage of filing of the returns in light of above observation. Presently, the reassessment is in process.

In respect of above cases based on the favourable decisions in similar cases/legal opinions taken by the Company/ discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in these financial statements.

(b) Provision for litigations

(₹ in million)

Particulars	Balance as at 1 April 2015	Additions during the year charged to respective expenses head	Amounts reversed during the year	Balance as on 31 March 2016
Trade Tax/Sales Tax/VAT	55.2	2.0	37.5	**19.7**
	(43.6)	(11.6)	(-)	(55.2)
Entry Tax	1,549.3	234.3	77.8	**1705.8**
	(1,194.7)	(354.6)	(-)	(1,549.3)
Provision taken for Cess on Captive Power	86.8	-	-	**86.8**
	(86.8)	(-)	(-)	(86.8)
Rural Infrastructure and Road Development tax, Madhya Pradesh	101.1	23.1	-	**124.2**
	(72.9)	(28.2)	(-)	(101.1)
Environment protection fees, Karnataka	14.5	-	-	**14.5**
	(14.5)	(-)	(-)	(14.5)
Other Litigations	21.1	0.6	-	**21.7**
	(20.4)	(0.7)	(-)	(21.1)
TOTAL	**1,828.0**	**260.0**	**115.3**	**1,972.7**
	(1,432.9)	**(395.1)**	**(-)**	**(1,828.0)**

Note: Figures in brackets are for the previous period.

Above provisions have been made against demands raised by various authorities. All these cases are under litigation and are pending with various authorities; expected timing of resulting outflow of economic benefits cannot be specified. Amount deposited under protest against these provisions are shown under short term loan and advances in note no. 12.

(c) **Movement of provision for Mine reclamation expenses during the period as required by Accounting Standard 29:**

Mine reclamation expenses

(₹ in million)

Particulars	31 March 2016	31 March 2015
Opening provision	**35.6**	18.0
Add: Provision made during the period	**-**	22.5
Less: Provision utilised during the period	**16.5**	4.9
Closing provision	**19.1**	35.6

Mine reclamation expense is incurred on an ongoing basis and until the closure of mines. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.

30. CROSS CURRENCY INTEREST RATE SWAP

The Company has a cross currency interest rate swap agreement with a bank for ECB Loan of USD 65,000,000 (31 March 2015: USD 125,000,000) whereby the Company pays a fixed rate of interest for various tranches of loan and receives a variable rate linked to LIBOR. The swap is being used to hedge the ECB loan taken on floating interest rate linked to LIBOR.

The loss on reinstatement of bank borrowings up to year end amounting to ₹ 1,086.8 million (up to 31 March 2015: ₹ 1,814.1 million) has been charged off to Statement of profit and loss and offset with a similar gain on increase in fair value of Derivative Assets. The Company has closing derivative assets of ₹ 1,082.7 million (31 March 2015: ₹ 1,896.6 million) which is presented under other current assets in Note 13.2. Effective portion of cash flow hedge and differential accrued interest amounting to ₹ 37.2 million (31 March 2015: ₹ 144.3 million) has been taken to "Hedging Reserve Account" under Reserves and Surplus under Note 4.

31. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Cross currency interest rate swap outstanding as at Balance Sheet date

Particulars	Currency	Mar-16	Mar-15	Purpose
Cross Currency Interest rate Swap	USD	**65,000,000**	125,000,000	For hedging payment of ECB loan and interest thereon.

Particulars	Currency	Mar-16	Mar-15	Purpose
Forward Contract	USD	**1,723,560**	1,723,560	For hedging payment against import of capital goods.

Unhedged Foreign Currency Exposure

Particulars	Currency	Mar-16			Mar-15		
		Amount in foreign currency	Exchange Rate	₹ in million	Amount in foreign currency	Exchange Rate	₹ in million
Trade Payable for Imports	USD	95,980.0	66.25	**6.4**	-	-	-
	EUR	121,717.5	75.39	**9.2**	-	-	-

32. Excise duty on sales amounting to ₹ 2,675.7 million (31 March 2015: ₹ 3,271.0 million) has been reduced from sales in statement of profit and loss. Excise duty expenses on increase in stocks amounting to ₹ 30.0 million (31 March 2015: excise duty income of ₹ 8.1 million) has been considered in Note 21 of the financial statements.

33. a) Gratuity and other employment benefit plans

The Company has three post-employment funded plans, namely Gratuity, Superannuation and Provident Fund.

Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employee after completing 5 years of service. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. Plan assets also include investments and bank balances used to deposit premiums until due to the insurance company.

Retirement benefits in the form of Superannuation Fund (being administered by Trusts) are funded defined contribution schemes and the contributions are charged to the Statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable.

The Provident Fund being administered by a Trust is a defined benefit scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the Government for the Employees Provident Fund. The Guidance Note on implementing AS-15, Employee Benefits (Revised 2005) issued by the Accounting Standard Board (ASB) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. Based on latest actuarial valuation of the said trust, there is no deficit in the fund.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss

Net employee benefit expense (recognized in employee cost)

(₹ in million)

Particulars	Gratuity	
	Mar-16	Mar-15
Current service cost	**17.8**	19.8
Interest cost on benefit obligation	**23.2**	28.4
Expected return on plan assets	**(9.7)**	(12.0)
Net actuarial (gain)/loss recognized	**6.5**	20.1
Past service cost/(credit) recognized	**-**	-
Net benefit expense	**37.8**	56.3
Actual Return on plan assets (%)	**8.5**	8.5

Balance Sheet

Details of Provision for gratuity

(₹ in million)

Particulars	Gratuity	
	Mar-16	Mar-15
Defined benefit obligation	**325.7**	306.2
Fair value of plan assets	**(114.7)**	(114.0)
	211.0	192.2
Less: Unrecognized past service cost	**-**	-
Plan liability	**211.0**	192.2

Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

Particulars	Gratuity	
	Mar-16	Mar-15
Opening defined benefit obligation	**306.2**	264.1
Current service cost	**17.8**	19.8
Interest cost on benefit obligation	**23.2**	28.3
Actuarial (gain)/loss recognized	**(1.2)**	19.4
Past service cost/(credit) recognized	**-**	-
Benefits paid	**(20.3)**	(25.4)
Closing defined benefit obligation	**325.7**	306.2

Changes in the fair value of plan assets are as follows:

(₹ in million)

Particulars	Gratuity	
	Mar-16	Mar-15
Opening fair value of plan assets	**114.0**	110.0
Expected return	**9.7**	12.0
Contribution by employer	**18.9**	18.1
Actuarial gain/(loss) recognized	**(7.7)**	(0.7)
Benefits paid	**(20.3)**	(25.4)
Closing fair value of plan assets	**114.7**	114.0

The Company expects to contribute ₹ 19.4 million to gratuity in financial year 2016-17 (31 March 2015: ₹ 20.2 million).

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Mar-16	Mar-15
Discount rate	7.50%	8.10%
Expected rate of return on assets	8.50%	8.50%
Employee Turnover	5.00%	5.00%

Note:

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Mar-16 (%)	Mar-15 (%)
Investments with insurer	**97.95**	98.03
Investments in government bonds	**0.08**	0.09
Bank balance	**1.97**	1.88
Total	**100.00**	**100.00**

The principal plan asset consists of a scheme of insurance taken by the Trust, which is a qualifying insurance policy.

Amounts for the current and previous years are as follows:

(₹ in million)

Particulars	Gratuity				
	Mar-16	Mar-15	Dec-13#	Dec-12#	Dec-11#
Defined benefit obligation	**(325.7)**	(306.2)	(270.9)	(253.5)	(207.3)
Plan assets	**114.7**	114.0	112.0	96.8	82.4
Surplus/(deficit)	**(211.0)**	(192.2)	(158.9)	(156.7)	(124.9)
Experience loss/(gain) on plan liabilities	**(1.2)**	19.4	(6.4)	23.9	1.8
Experience loss/(gain) on plan assets	**7.7**	0.7	(1.0)	0.4	(0.5)

Figures includes figures of discontinued operation.

b) Provident Fund

Provident fund for certain eligible employees is managed by the Company through trust "Mysore Cement Limited officers' and staff provident fund trust", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below there is no shortfall as at 31 March 2016 and 31 March 2015.

The details of the fund and plan assets position are as follows:

(₹ in million)

	Mar-16	Mar-15
Plan assets at year end, at fair value	**212.4**	196.5
Present value of defined obligation at year end	**171.2**	167.3
Assets recognised in Balance Sheet	**-**	-

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	Mar-16	Mar-15
Discount rate	7.65%	7.81%
Expected guaranteed interest rate	8.70%	8.75%
Expected Rate of Return on Asset	9.41%	9.22%

c) Contribution to Defined Contribution Plans included under head 'Contribution to PF and other funds' under Note 20 'Employee benefit Expenses'

(₹ in million)

Particulars	Mar-16	Mar-15
Provident Fund	**48.6**	63.3
Other Post Employment Funds	**4.9**	6.1
Total	**53.5**	**69.4**

34. As per Micro, Small and Medium Enterprises Act, 2006, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. As per the information available with the Company, none of the creditors fall under the definition of "Supplier" as per Section 2(n) of the Act. In view of this prescribed disclosures under Section 22 of the Act are not required to be made in the financial statements.

35. SUPPLEMENTARY STATUTORY INFORMATION

35.1 Expenditure in foreign currency (on accrual basis)

(₹ in million)

Particulars	Mar-16	Mar-15
Technical know how fees	**170.0**	212.5
Legal & Professional expenses	**-**	3.4
Guarantee commission (included under bank charges and guarantee commission)	**-**	13.4
Interest	**780.1**	951.1
Communication expenses	**66.3**	7.0
Others	**5.5**	22.2
Total	**1,021.9**	**1,209.6**

35.2 Value of imports calculated on CIF basis

(₹ in million)

Particulars	Mar-16	Mar-15
Stores and spare parts	**38.4**	31.7
Capital goods	**4.9**	549.3
Total	**43.3**	**581.0**

35.3 Imported and indigenous raw materials and packing materials consumed:

There are no consumption of imported raw materials and packing materials. All consumptions are of indigenous items.

35.4 Imported and indigenous stores and spares consumed:

Particulars	Percentage of total consumption		Value (₹ in million)	
	Mar-16	Mar-15	Mar-16	Mar-15
Imported	**5.1**	5.9	**33.5**	43.6
Indigenous	**94.9**	94.1	**628.3**	700.7
Total	**100.00**	**100.00**	**661.8**	**744.3**

36. SALES AND ENTRY TAX BENEFIT

The Company is entitled to benefits under the Madhya Pradesh State Industrial Promotion Policy, 2004 and 2010 for the increased cement production facility at Damoh, Madhya Pradesh w.e.f. 18 February 2013. Under the said policy, the Company has been exempted from payment of Entry Tax on input materials for a period of 7 years and also claim refund upto 75% of VAT/CST paid on sales for a period of 10 years within the state of Madhya Pradesh in respect of the increased production facility.

37. Capital advances include an amount of ₹ 150.6 million paid during an earlier year to a supplier against a bank guarantee for setting up a Waste Heat Recovery based Power Generation Plant at the Company's clinkerisation unit at Narsingarh in Madhya Pradesh. A dispute arose with the supplier as they failed to adhere to the agreed timelines and insisted for enhancement of the contract price in view of depreciation of Rupee against US dollars, despite the contract being for a fixed price. The supplier offered the Company to renegotiate and agree with its sub-contractors for settlement of the aforesaid advance. The Company invoked the advance bank guarantee to recover the advances paid to the said supplier. The Hon'ble High Court of Delhi had on 19 October 2013 granted an ad interim ex-parte injunction against the invocation of aforesaid Bank Guarantee, against which the Company had filed an application for vacation of stay, which is currently pending. The Company has sent a notice of arbitration to the supplier on 18 May 2016 demanding advance given as per supply contract, interest on advance given and compensation in terms of risk purchase clause of the contract for loss incurred in respect of work completed through other third parties.

Basis legal assessment, precedents of Supreme Court judgements and valid bank guarantee, the management is confident of recovering the amounts and no adjustments are considered necessary in the financial statements in this regard.

38. DISCONTINUED OPERATION

a) In accordance with the approval granted by the Board of Directors of the Company on 21 May 2013, the Company executed a Business Transfer Agreement on 5 October 2013 with JSW Steel Limited for sale of its cement grinding facility in Raigad, Maharashtra, to JSW Steel Limited, as a going concern on slump sale basis for a consideration of ₹ 1,660.0 million. The process of selling the Raigad plant was completed on 3 January 2014 and net gain of ₹ 603.1 million has been disclosed as an exceptional item in the statement of profit and loss during the previous period.

The carrying amounts of the total assets and liabilities disposed off at 3 January 2014 are as follows. Comparative information for Raigad plant is included in accordance with AS 24 Discontinuing Operations.

(₹ in million)

	31 March 2016	3 January 2014
Total assets	-	1,321.6
Total liabilities	-	273.3
Net assets	-	**1,048.3**

b) Revenue and expenses of continuing and discontinued operations are as follows:

(₹ in million)

	Continuing operation		Discontinued operation		Total	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Income						
Revenue from operations (gross)	19,228.8	23,713.8	-	-	19,228.8	23,713.8
Less: Excise duty	(2,675.7)	(3,271.0)	-	-	(2,675.7)	(3,271.0)
Revenue from operations (net)	**16,553.1**	**20,442.8**	**-**	**-**	**16,553.1**	**20,442.8**
Other income	154.8	138.4	-	-	154.8	138.4
Total revenue (I)	**16,707.9**	**20,581.2**	**-**	**-**	**16,707.9**	**20,581.2**
Expenses						
Cost of raw material consumed	3,427.8	4,438.3	-	-	3,427.8	4,438.3
Increase in inventories of finished goods and work-in-progress	(93.4)	(277.2)	-	-	(93.4)	(277.2)
Employee benefits expense	1,056.3	1,337.3	-	0.4	1,056.3	1,337.7
Other expenses	9,785.6	11,722.9	-	-	9,785.6	11,722.9
Total Expense (II)	**14,176.3**	**17,221.3**	**-**	**0.4**	**14,176.3**	**17,221.7**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)	**2,531.6**	**3,359.9**	**-**	**(0.4)**	**2,531.6**	**3,359.5**
Depreciation and amortization expense	940.0	1,385.7	-	-	940.0	1,385.7
Less: recoupment from revaluation reserve	-	(10.3)	-	-	-	(10.3)
Net depreciation and amortization expense	940.0	1,375.4	-	-	940.0	1,375.4
Finance costs	1,087.9	1,389.3	-	-	1,087.9	1,389.3
Profit before tax and exceptional items	**503.7**	**595.2**	**-**	**(0.4)**	**503.7**	**594.8**
Add: Exceptional Items	-	603.1	-	-	-	603.1
Profit/(loss) before tax	**503.7**	**1,198.3**	**-**	**(0.4)**	**503.7**	**1,197.9**
Tax expenses*						
Current tax	107.5	91.3	-	-	107.5	91.3
Current tax/MAT related to earlier years	5.0	-	-	-	5.0	-
Less: MAT credit entitlement	(112.5)	(91.3)	-	-	(112.5)	(91.3)
Net current tax expense	-	-	-	-	-	-
	-	-	-	-	-	-
Deferred tax charge	117.2	602.6	-	-	117.2	602.6
Total tax expense	117.2	602.6	-	-	117.2	602.6
Profit/(loss) for the year	**386.5**	**595.7**	**-**	**(0.4)**	**386.5**	**595.3**

*Tax Expenses is not determined separately for discontinued operations, as it is determined for the Company as a whole.

c) Net cash flows attributable to the operating, investing and financing activities of the discontinued operations are as follows:

(₹ in million)

Particulars	For the Year 01 April 2015 to 31 March, 2016	For the period 01 January , 2014 to 03 January, 2014
Operating activities	-	(0.6)
Investing activities	-	-
Financing activities	-	-
Net cash inflows/(outflows)	-	**(0.6)**

39. DETAILS OF CSR EXPENDITURE:

a) Gross amount required to be spent by the company during the year:

During the year, the gross amount required to be spent by the Company on activities related to Corporate Social Responsibility (CSR) amounted to ₹ 1.6 million (31 March 2015: ₹ 0.5 million).

b) Amount spent during the year ending on 31 March 2016

(₹ in million)

	Particulars	Amount incurred	Amount yet to be paid	Total
(i)	Construction/acquisition of any asset	9.6	-	**9.6**
(ii)	On purposes other than (i) above	0.7	-	**0.7**
	Total	10.3	-	**10.3**

c) Amount spent during the period ended on 31 March 2015

(₹ in million)

	Particulars	Amount incurred	Amount yet to be paid	Total
(i)	Construction/acquisition of any asset	9.5	-	9.5
(ii)	On purposes other than (i) above	1.2	-	1.2
	Total	10.7	-	10.7

40. PREVIOUS YEAR FIGURES

Previous period figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: 24 May 2016

For and on behalf of the Board of Directors of HeidelbergCement India Limited

Anil Kumar Sharma
Chief Financial Officer

Kevin Gerard Gluskie
Director

P.G. Mankad
Chairman

Jamshed Naval Cooper
Managing Director

S. Krishna Kumar
Director

Rajesh Relan
Legal Head & Company Secretary

Pradeep V. Bhide
Director

J-F Defalque
Director

Soek Peng Sim
Director

Sushil Kumar Tiwari
Wholetime Director

HeidelbergCement India Limited

CIN: L26942HR1958FLC042301
Regd. Office: 9th Floor, Tower 'C', Infinity Towers, DLF Cyber City, Phase II, Gurgaon, Haryana -122002
Ph. +91 0124-4503795, Fax +91 0124-4147698, Email Id: investors.mcl@mycem.in; Website: www.mycemco.com

NOTICE

of the Annual General Meeting

NOTICE is hereby given that the 57th Annual General Meeting of the Members of the Company will be held at 9.30 A.M. on Wednesday, the 21st September 2016 at Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana to transact the following business: -

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company consisting of the Balance Sheet as at 31st March 2016; the Profit and Loss Account and Cash Flow Statement for financial year ended 31st March 2016 including notes thereto together with the Reports of the Board of Directors and Auditors' thereon for the financial year ended 31st March 2016.
2. To appoint a Director in place of Ms. Soek Peng Sim (holding DIN 06958955), who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and if thought fit to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No.: 301003E/E300005), who were appointed as Auditors of the Company at the 55th Annual General Meeting held on 19th June 2014, to hold office from conclusion of 55th Annual General Meeting until conclusion of 58th Annual General Meeting be and is hereby ratified and confirmed from the conclusion of 57th AGM till the conclusion of 58th AGM on such remuneration as may be agreed upon between the Board of Directors and the Auditors, in addition to applicable taxes, reasonable out of pocket expenses and reimbursement of travelling expenses incurred by them in connection with Audit of the accounts of the Company."

Special Business:

4. To consider and if thought fit to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that Mr. Juan-Francisco Defalque (holding DIN 07318811) who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 29th October 2015 and who holds office up to the date of this Annual General Meeting of the Company under Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director liable to retire by rotation."
5. To consider and if thought fit to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that Mr. Kevin Gerard Gluskie (holding DIN 07413549) who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 4th February 2016 and who holds office up to the date of this Annual General Meeting of the Company under Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director liable to retire by rotation."
6. To consider and if thought fit to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No. 000026) appointed by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year 2016-17, amounting to ₹ 225,000 (Rupees Two Lac Twenty Five Thousand only) plus applicable taxes, reasonable out of pocket expenses and reimbursement of travelling expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

By Order of the Board

Date : 24th May, 2016
Place : Gurgaon

Rajesh Relan
Legal Head & Company Secretary

Notes :

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself. Such proxy need not be a member of the company. The instrument appointing a proxy has to be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.**

2. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

3. Statement pursuant to section 102 of the Companies Act, 2013 is annexed.

4. The complete particulars of the venue of the AGM including route map and prominent land marks for easy location are enclosed herewith. The route map of the Venue of the AGM is also hosted along with the Notice on the website of the Company i.e. www.mycemco.com.

5. **Voting through electronic means**

   I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014; Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 57th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

   II. The facility for voting through ballot paper shall be made available at the AGM venue and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

   III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

   IV. The remote e-voting period commences on 18th September 2016 (9:00 AM) and ends on 20th September 2016 (5:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th September 2016 i.e., the date prior to the commencement of book closure, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution has been cast by the member, no change shall be allowed subsequently.

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

   A. In case of members receiving an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

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

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

      (iii) Click on Shareholder – Login

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

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

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

(vii) Select "EVEN" of "HeidelbergCement India Limited".

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

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

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

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

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to officenns@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case of members receiving physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

Initial password is provided at the bottom of the Attendance Slip for the AGM in the format given below:

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

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

VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available in the downloads section of www.evoting.nsdl.com or call on NSDL's toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.

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

IX. The voting rights shall be as per the number of equity shares held by the members as on the cut-off date of 14th September 2016.

X. Any person, who acquires shares of the Company and becomes a member after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 14th September 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or contact NSDL at toll free no.: 1800-222-990.

However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at toll free no.: 1800-222-990.

XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XII. Mr. Nityanand Singh, Company Secretary in Wholetime Practice (FCS No. 2668, CP No. 2388) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. Mr. Pawan Barodiya, Company Secretary in Wholetime Practice (ACS No. 38674, CP No. 14435) has been appointed as an alternate scrutinizer.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him.

XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.mycemco.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him. The results shall also be submitted to the stock exchanges where the shares of the Company are listed.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from 15th September 2016 to 21st September 2016 (both days inclusive).

7. The share transfer instruments, complete in all respects, should be sent to the Registrar & Share Transfer Agents, Integrated Enterprises (India) Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560003 well in advance so as to reach the Registrar & Share Transfer Agents prior to the book closure.
8. Members who continue to hold the shares in physical form are requested to inform any change in their address, bank particulars, nominee, email address etc., to the Registrar & Share Transfer Agents. Members holding shares in dematerialized form are requested to approach their Depository Participant for change of address, bank particulars, nominee, email address etc.
9. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer/ transmission/transposition, is mandatory.
10. Under the provisions of Section 72 of the Companies Act, 2013, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing the nomination facility are requested to write to the Company/RTA.
11. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend the meeting and vote on their behalf.
12. (a). Members attending the meeting are requested to complete the attendance slip and submit the same at the entrance of the meeting hall. Attendance at the Annual General Meeting shall not be allowed without production of the attendance slip duly signed.

    (b). Members are requested to bring their copies of the Annual Report as additional copies of the same will not be distributed at the meeting.

Statement Pursuant to Section 102 of Companies Act, 2013

Item No. 2:

Brief resume of Ms. Soek Peng Sim, who is proposed to be re-appointed as Director, is given below:

Ms. Soek Peng Sim, aged 47 years, is presently Finance Director of HeidelbergCement Asia Pte Ltd, Singapore. She holds a Bachelor Degree in Accounting from University of Malaya, Malaysia. She also holds CPA Degree of The Malaysian Association of Certified Public Accountants as well as Chartered Accountant Degree of Malaysian Institute of Accounting. Prior to joining HeidelbergCement Group, she worked with Reckitt Benckiser Group, Philips Malaysia, Ho Hup Malaysia and The Lion Group, Malaysia. She has rich and vast experience of about 22 years. Traversing her professional career she has gained experience in financial planning & analysis, business development and support, accounting & taxation, construction & property development and construction materials industry.

Ms. Sim is on the Board of Directors of Cochin Cements Limited. She does not hold any Equity Shares in the Company. The Board has recommended her re-appointment by the members at the ensuing Annual General Meeting.

Except Ms. Sim, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the proposed resolution. This explanatory statement may also be regarded as a disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 3

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 the members had at the 55th Annual General Meeting (AGM) held on 19th June 2014 appointed S.R. Batliboi & Co. LLP, Chartered Accountants, as statutory auditors of the Company for three consecutive financial years i.e., up to the conclusion of 58th AGM. Section 139(1) of the Companies Act, 2013, further provides that the appointment of statutory auditors shall be placed before the members at every AGM for ratification.

Accordingly, a resolution has been proposed for seeking member's ratification for the continued appointment of S.R. Batliboi & Co. LLP, Chartered Accountants, as statutory auditors of the Company. The Board has recommended the resolution set out at Item No. 3 of the Notice for approval of the members.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the proposed resolution.

Item No. 4

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors of the Company has on 29th October 2015 appointed, Mr. Juan-Francisco Defalque as an Additional Director. Mr. Defalque holds office up to the date of ensuing AGM. The Company has received a Notice in writing from a member alongwith deposit of requisite amount under Section 160 of the Act proposing candidature of Mr. Defalque for appointment as a Director by the members at the ensuing AGM. Brief resume of Mr. Defalque is given below:

Mr. Juan-Francisco Defalque, aged 52 years, is presently Technical Director of HeidelbergCement Asia Pte Ltd, Singapore. He completed his Master's degree in mining

engineering from Catholic University of Louvain in Belgium. He started his professional career in 1989 with CBR, a Belgian International Company engaged in the production of cement, ready-mix concrete and aggregates in Europe and North America (in 1993 CBR was acquired by HeidelbergCement Group). From 1989 to 2002 he held several management positions including director of technical projects for Belgium. In 2002 he joined HC Cimbenin located in Benin (West Africa) as its Managing Director. In 2006 he joined PT Indocement Tunngal Prakarsa Tbk to set up a completely new Heidelberg Technology Centre (HTC). During his tenure in Indonesia several major projects were executed including an integrated cement plant with 10,000 TPD clinker line located south of Jakarta, Indonesia.

In 2015 he joined HeidelbergCement Asia Pte Ltd, Singapore as its Technical Director responsible for managing the technical centres in the region, which not only provides technical support to all the cement manufacturing facilities of HeidelbergCement group in the Asia-Pacific region but also takes care of the new projects.

Mr. Defalque is not a director in any other Indian Company. He does not hold any Equity Shares in the Company. The Board has recommended the resolution set out at Item No. 4 of the Notice for approval of the members.

Except Mr. Defalque, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the proposed resolution. This explanatory statement may also be regarded as a disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 5

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors of the Company has on 4th February 2016 appointed, Mr. Kevin Gerard Gluskie as an Additional Director. Mr. Gluskie holds office up to the date of the ensuing AGM. The Company has received a Notice in writing from a member alongwith deposit of requisite amount under Section 160 of the Act proposing candidature of Mr. Gluskie for appointment as a Director by the members at the ensuing AGM. Brief resume of Mr. Gluskie is given below:

Mr. Kevin Gerard Gluskie, aged 48 years, completed his Bachelor of Engineering (Honours) with a major in Civil Engineering from the University of Tasmania in 1988 and an Executive Master's of Business Administration from the Australian Graduate School of Management in 2001. He has also completed an Advanced Leadership Program in 2007 conducted by Mcgill University, the Indian Institute of Management and Lancaster University. He joined Pioneer International (subsequently acquired by Hanson PLC) in 1990 and held a number of operational roles throughout Australia in the Readymix Concrete and Aggregates businesses. In 1999, he was appointed as Regional General Manager responsible for the company's operations in the Victoria and Tasmania regions of Australia. In 2009, Mr. Gluskie was appointed as Chief Executive of Hanson Australia. Presently he is a member of the Managing Board of HeidelbergCement AG responsible for looking after HeidelbergCement Group's operations in the Asia-Pacific Region.

Mr. Gluskie is not a director in any other Indian Company. He does not hold any Equity Shares in the Company. The Board has recommended the resolution set out at Item No. 5 of the Notice for approval of the members.

Except Mr. Gluskie, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the proposed resolution. This explanatory statement may also be regarded as a disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 6:

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. R.J. Goel & Co., Cost Accountants, for conducting the audit of cost records of the Company for the financial year ending 31st March 2017.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors during the financial year 2016-17 as set out in the Resolution for the aforesaid services to be rendered by them. The Board of Directors has recommended the resolution set out at Item No. 6 of the Notice for approval of the members.

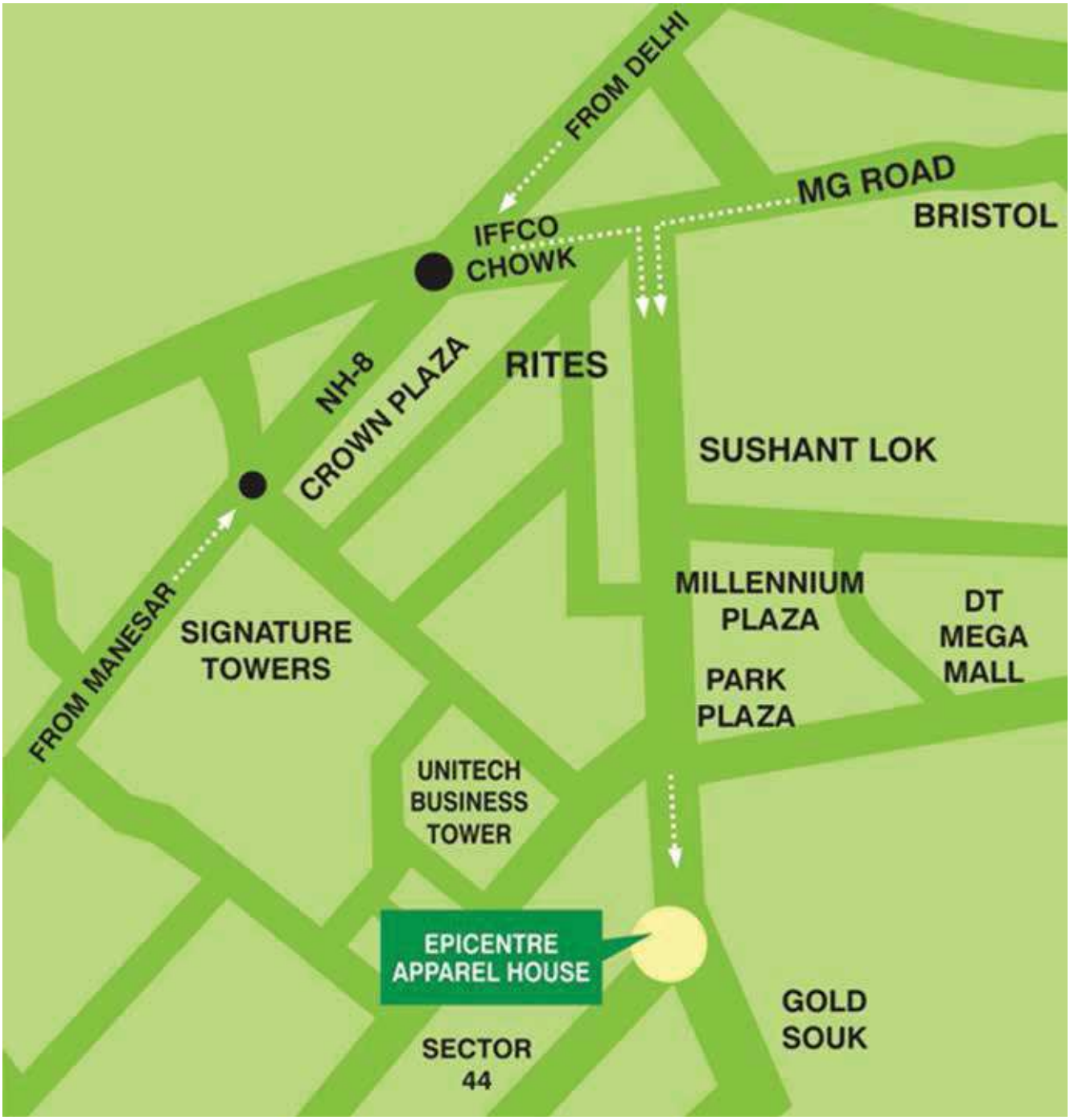
None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the aforesaid resolution.

By Order of the Board

Date : 24th May 2016
Place : Gurgaon

Rajesh Relan
Legal Head & Company Secretary

ROUTE MAP TO REACH AGM VENUE



Notes

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HeidelbergCement India Limited

CIN: L26942HR1958FLC042301
Registered Office: 9th Floor, Infinity Tower "C", DLF Cyber City, Phase II, Gurgaon, Haryana – 122002
Phone +91-124-4503700; Fax +91-124-4147698; Website: www.mycemco.com

PROXY FORM

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No./ Client Id:	
DP/ID:	

I/We, being the member(s) of HeidelbergCement India Limited holding _____ shares, hereby appoint

(1) Name:_____ Address: _____

E-mail id:_____ Signature :_____or failing him;

(2) Name:_____ Address: _____

E-mail id:_____ Signature :_____or failing him;

(3) Name:_____ Address: _____

E-mail id:_____ Signature :_____or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57th Annual General Meeting of the Company, to be held on the 21st day of September, 2016 at 9.30 A.M. at Epicentre, Apparel House, Sector 44, Institutional Area, Gurgaon, Haryana - 122 002 and at any adjournment thereof in respect of the resolutions as are indicated below:

Sl. No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial Statements together with the Reports of the Board of Directors and Auditors' for the financial year ended 31st March 2016.		
2.	Re-appointment of Ms. Soek Peng Sim (holding DIN 06958955), as Director who retires by rotation.		
3.	Ratification of appointment of S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors from the conclusion of 57th AGM until conclusion of 58th AGM.		
SPECIAL BUSINESS			
4.	Appointment of Mr. Juan-Francisco Defalque (holding DIN 07318811) as Director.		
5.	Appointment of Mr. Kevin Gerard Gluskie (holding DIN 07413549) as Director.		
6.	Ratification of remuneration of Cost Auditors for the financial year 2016-17.		

Signed this……. day of…… 2016

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 57th Annual General Meeting.

3*. It is optional to put a '√' in the appropriate column against the resolutions indicated in the Box. 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.

4. Please complete all details relating to member(s) in above box before submission.

TO BE A TRULY GLOBAL CEMENT COMPANY, ONE HAS TO THINK SMALL.

AS SMALL AS 12 MICRONS.

HEIDELBERGCEMENT

Be it skyscrapers, dams, bridges, roads or smallest of construction, in every one of them you will find the same commitment and technical excellence to which HeidelbergCement has dedicated itself for the past 142 years. That's why in every grain of "mycem", you will find unmatched strength and a promise you can trust on. Every bag of "mycem" brings to you a quality that you have always longed for.

When it comes to building world class structures, every grain of cement matters.

mycem for better building

mycem cement | for better building

Registered Office
HeidelbergCement India Limited
9th Floor, Infinity Tower "C" DLF Cyber City,
Phase-II Gurgaon, Haryana - 122002