38th
ANNUAL REPORT
2017-2018

NIRMA

NIRMA LIMITED

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

BOARD OF DIRECTORS
Dr. K. K. Patel, Chairman
Shri Rakesh K. Patel, Vice Chairman
Shri Pankaj R. Patel
Shri Chinubhai R. Shah
Shri Kaushikbhai N. Patel
Shri Vijay R. Shah
Smt. Purvi A. Pokhariyal
Shri Shailesh V. Sonara, Director (Environment & Safety)
Shri Hiren K. Patel, Managing Director

COMPANY SECRETARY
Shri Paresh Sheth

AUDITORS
Rajendra D. Shah & Co.
Chartered Accountants
Ahmedabad - 380 009

REGISTERED OFFICE
Nirma House
Ashram Road
Ahmedabad - 380 009
CIN : U24240GJ1980PLC003670
Website : www.nirma.co.in

REGISTRARS AND SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd.

For Equity Shares:
5th floor, 506 to 508
Amarnath Business Centre-1
Off. C. G. Road, Ellisbridge,
Ahmedabad – 380006
Tel No.:+91 79 2646 5179
Email: ahmedabad@linkintime.co.in

For Debt Securities:
247 Park, C-101 L.B.S. Marg
Vikhroli (West),
Mumbai 400083
Tel No.: +91 22 4918 6000
Email: ganesh.jadhav@linkintime.co.in

DEBENTURE TRUSTEE
IDBI Trusteeship Services Limited
Asian Bldg., Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai 400001
Tel No.: +91 22 4080 7001
Email: ajit.guruji@idbitrustee.com

CONTENTS

Board's Report

To,

The Members,

Your Directors are pleased to present the 38th Annual Report together with Audited financial statements of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS

The financial performance of the Company is summarized below:

₹ in crore

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	14,480	10,827	5,879	5,417
Other Income	181	180	108	134
Operating Profit (EBITDA)	2742	2032	1,471	1,286
Less: (i) Finance Cost	851	523	450	298
(ii) Depreciation and Amortization Exp.	946	529	448	254
Less: Exceptional items	-	111	-	102
Profit Before Tax	945	869	573	632
Less : Total Tax Expenses	46	230	153	201
Profit for the year	899	639	420	431

DIVIDEND

Considering the strategic business planning which may require the fund for its operations, your directors have decided to conserve Company's financial resources and not to recommend any dividend on shares for the Financial Year ended 31st March 2018. Accordingly, no amount from the profit of the Company has been transferred to the General Reserve. However, ₹ 259.16 Crore has been transferred to Debenture Redemption Reserve during the year under review (previous year: ₹ 85.83 Crore).

FINANCIAL PERFORMANCE

Your Company delivered yet another year of consistent, competitive and profitable emanating out of revenue growth, strong competitive position in the commodity chemicals space, benefiting from access to cheap raw materials, high level of vertical integration and product diversity.

Consolidated financial performance: The Consolidated income reflects the revenues derived from soaps & surfactants, processed minerals and Cement. On Consolidated basis your Company has achieved Revenue from operations of ₹ 14,480 Crore for the financial year ended 31st March, 2018 as against ₹ 10,827 Crore in previous year. The Earning before Finance Cost, Taxes, Depreciation and Amortisation (EBITDA) increased to ₹ 2,742 Crore from ₹ 2,032 Crore during the previous year. Your Company registered a Profit of ₹ 899 Crore in F.Y. 2017-18 as against ₹ 639 crore in the previous year.

The Previous years' consolidated financials, which include the financials of Nuvoco w.e.f. 4th October, 2016 are not comparable with current year.

The Net Worth of the Company on a consolidated basis stood at ₹ 10,296 Crore as on 31st March, 2018.

Standalone financial performance: Your Company's Revenue from Operations increased to ₹ 5,879 Crore during the year as compared to ₹ 5,417 Crore of the previous year registering a growth of 8.53% over the previous year. The Earning before Finance Cost, Taxes, Depreciation and Amortisation (EBITDA) increased to ₹ 1,471 Crore from ₹ 1,286 Crore during the previous year registering growth of 14.39%. Your Company registered a Net Profit of ₹ 420 Crore for the financial year under review as against ₹ 431 Crore of previous year. The profitability is marginally affected by increase in finance cost due to increased borrowings, increase in Power and Fuel cost due to increase in price of Petcock and Coal coupled with increase in Depreciation during the year under review.

Scheme of Arrangement with Nuvoco : The Board of Directors of your Company has approved the Scheme of Arrangement between the Company and Nuvoco Vistas Corporation Ltd, a Wholly Owned Subsidiary of the Company, (NVCL) under sections 230-232 of the Companies Act, 2013, for demerger of Company's Cement Marketing Undertaking and transfer it into NVCL, at their meeting held after the closure of year under review, subject to requisite approvals. This Scheme, if approved, shall enable Nirma and NVCL to synergies and utilise the resources more effective thereby scaling operations and providing growth opportunities.

There are no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this report.

BUSINESS OVERVIEW

Your Company is one of the largest manufacturers of Soaps and Surfactants, Salt, Chemicals, Cement, allied products and Processed Minerals.

Soaps & Surfactants: Your Company is among the largest player in S & D segment in India. Strong brand and high sales penetration helps the Company to maintain its position over the medium term. However as the Company is catering largely to price sensitive economy segment, it faces high competition from unorganized players. The Company manufactures Soda Ash, Caustic Soda and LAB which are the key raw material inputs in detergent manufacture. Operations are further backward integrated for manufacture of other chemicals including Normal Paraffin, Sulfuric Acid, Alpha Olefin Sulphonate, Glycerin and Fatty Acid. Backward integration has been a key strategic strength for the company as it has protected the company from increasing raw material prices and ensures timely delivery.

Over time, your Company has setup a larger capacity of soda ash than its captive requirements and has thus strengthened its market position in the soda ash business. Thus, there is considerable control on the cost structure which continues to result in a competitive advantage.

Soda ash is extensively used in the manufacture of glass. Furthermore, Soda ash acts as an organic builder in soaps & detergents formulations. Additionally, demand for Soda ash is expected to increase during the coming years on the back of healthy consumption from the glass segment. However, there is a risk of fluctuation of price of Soda Ash since it is linked to global markets.

Company's Soda Ash plant has a capacity of 1.43 million tpa. During the financial year 2017-18, the Company has sold 1.08 million tons and 0.24 million tons were utilized for captive consumption.

The Soda Ash Industry in India is expected to witness robust increase in demand. Taking into account the user industry's demand forecast like Glass, Detergent, Glass and Silicate Sector, there was robust growth of about 12% during 2017-18 and the estimated CAGR growth is about 5 – 6% over the next 5 years.

Nirma's linear alkyl benzene (LAB) segment also benefits from the anti-dumping duties on the import from three countries and demand from the domestic soaps and detergent industry.

SSP and Salt: Your Company has large salt plants in Gujarat which provide a steady supply of salt for soda ash production. The Company is the second largest player of edible salt in the country. This business segment constitutes products such as Single Super Phosphate, Industrial Salt, Edible Salt, etc. Nirma Shuddh, edible salt manufactured by the Company.

Processed Minerals: This business segment constitutes the Company's operations in USA through its subsidiary, which manufactures a range of processed minerals such as Boron, Natural Soda Ash and others.

Cement: Your Company has a standalone installed capacity of 2.28 million tpa for cement and consolidated installed capacity of 13.08 million tpa for cement. On consolidated basis the Company derives about 46% revenue from the cement business on consolidated basis. The operating efficiency in this business is likely to remain strong, which may help partially offset pressure from rising input cost.

Demand growth of Cement has been promising with industry volume growth seeing a visible pick-up over the last two quarters. The growth is expected to remain healthy over the medium term with increased government spending on housing and infrastructure projects including spending on roads and metro projects, muted real estate activity. Despite short-term challenges related to high energy costs, significant domestic and global capacity addition, the Company is optimistic about the long-term prospects of this business.

Utilities: Power and Fuel are one of the key inputs for the various products manufactured by the Company. The Company has developed the flexibility to utilize a variety of fuels from 2000 GCV to 8000 GCV and is optimizing the fuel mix strategy to its full advantage. Your Company has power generation facilities with present installed capacity of more than 150 MW.

FINANCE

Your Company continues to ensure timely availability of funds required at the competitive rates through effective financial Planning and timely estimation of capital requirement. The Company's working capital management is robust and involves a well-organized process, which facilitates continuous monitoring and control over receivables and inventories. The Company has funded its projects and day to day activities through a mix of internal cash accruals, short term and long term borrowings. Adequate liquidity has been maintained to cater the needs of the Company. Your Company continued to focus on effective cost management through various initiatives across its facilities and operations.

Your Company has issued unsecured,subordinated, Listed, Non-Convertible Debentures (NCDs) aggregating to ₹ 1500 Crore on a private placement basis in three tranches with a view to refinancing of loans, capex and long term working capital. These NCDs are listed on Wholesale Debt Market segment of National Stock Exchange of India Limited. Further your Company has fully redeemed 8.90%, 600 of Rated, Secured, Unlisted, Redeemable, Non-convertible, Non-cumulative Taxable Debentures Series - C/13-14 of face value of ₹ 10 Lakh each aggregating to ₹ 60 Crore during the year under review.

The existing working capital facilities limit has been revised and enhanced from ₹ 1600 crore to ₹ 1900 crore with reconstituted Bank of Baroda consortium comprising nine member banks during the year under review.

CRISIL and India Ratings has assigned "AA-/Negative" rating for the unsecured listed NCDs issued in July 2017. Further, as on 31st March 2018, CRISIL and ICRA have reaffirmed "AA/Negative" for Long Term Rating and "A1+" for Short Term Rating.

EXPANSION PROJECTS / INITIATIVES

Various projects are being undertaken by your Company at plant level for new as well as enhancement of capacity of existing project to cater the growing demand of industrial products. During the year, your company has commissioned expansion project of Sea Water Desalination capacity by 15 MLD in Sept. & Oct. 2017 in phased manner taking the total capacity to 37 MLD at Company's Kalatalav plant and partly commissioned New R O Plant at Company's Porbandar plant.

In addition, projects like 200 TPD Refined Bi-carbonate plant, 50 TPD Purified Phosphoric Acid,Bromine capacity expansion from 10 TPD to 20 TPD, all three at Kalatalav plant and installation of New Turbine Plant with addition in capacity by 14 MW at Porbandar are under various stages of commissioning.

SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE

As of 31st March 2018, the Company has two wholly owned subsidiaries and five step down wholly owned subsidiaries.

Nirchem Cement Limited" a wholly owned subsidiary ("WOS") of the Company, has been amalgamated with its WOS "Nuvoco Vistas Corporation Limited", (formerly known as Lafarge India Limited) ("Nuvoco"), with the appointed date being 4th October 2016 vide the order dated 6th April, 2017 of "the National Company Law Tribunal", Mumbai Bench, which has come into effect from 19th April 2017. Accordingly, Nuvoco has become WOS, Rima Eastern Cement Limited, WOS of Nuvoco has become step down WOS. In addition, Wardha Vaalley Coal Field Private Limited is the Joint venture of Nuvoco.

Karnavati Holdings Inc. ("KHI"), USA (WOS of the Company), Searles Valley Minerals Inc.("SVM"), USA (WOS of KHI) and Searles Domestic Water Company LLC, Trona Railway Company LLC & Searles Valley Minerals Europe (WOS of SVM), continued to be subsidiaries of the Company. In addition, FRM Trona Fuels LLC, USA is continued to be an associate of SVM.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries, Associate and Joint Venture in Form AOC-1 is attached to the financial statements of the Company.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2018 is ₹ 73.04 crore comprising of 146,075,130 Equity Shares of ₹ 5/- each. There is no change in equity share capital during the year under review.

During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise and also not issued shares to any directors and/or employees of the Company under any scheme.

DIRECTORS

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Shri Rakesh K. Patel (DIN: 00760023) Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment. Your directors recommend his re-appointment.

The members at the Extra Ordinary General Meeting of the Company held on 29th December, 2017, have re-appointed Shri Vijay R. Shah (DIN 00376570) and Smt. Purvi A. Pokhariyal (DIN 07116166) as Independent Directors of the Company for second term of five years starting from 5th March, 2018 to 4th March, 2023.

Shri Satish C. Shah was appointed as the Chief Financial Officer ("CFO") of the Company w.e.f. 10th November 2017 vice Shri Rajendra J. Joshipara, who resigned as CFO w.e.f. 9th November 2017. There are no other changes in Key Managerial Personnel during the year under review.

After closure of the year under review,the Board:

- Re-appointed Shri Shailesh V. Sonara (DIN 06592025)as a Whole Time Director designated as Director (Environment & Safety) of the Company for a further period of 5 years, with effect from 1st July 2018, subject to approval of the shareholders at the ensuing General Meeting.
- Accorded its approval for change in designation of Shri Kaushikbhai N. Patel (DIN 00145086), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) and Section 149(7) of the Companies Act, 2013, and who is eligible for appointment as an Independent Director, from Non-Executive Director to Independent Director for the period of five years effective from 10th May, 2018, subject to consent of the shareholders of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures for the year ended 31st March, 2018;

b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the annual accounts on a going concern basis;

e) the directors have laid down internal financial control to be followed by the Company and such internal financial controls are adequate and operating effectively; and

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF MEETINGS OF THE BOARD

During the year under review five (5) meetings of Board of Directors were held on 25th May, 2017, 30th June, 2017, 4th August, 2017, 10th November, 2017, 14th February, 2018.

COMMITTEES

The Board of the company has constituted required statutory committees viz. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, to carry out clearly defined roles, which were considered to be performed by the committees. These Committees meet regularly and takes necessary steps to perform duties entrusted on it. The Board regularly takes note of discussion held in the committee meeting and minutes of the committees are placed before the Board for its review and noting.

Apart from the above statutory committees, the Board has constituted "Investment committee of Directors" entrusted with clearly defined roles and powers with specified limits mainly relating to borrow / invest funds, to grant / avail loan, to provide security etc.

The Company Secretary acts as a Secretary to all these committees.

Audit Committee:

As already mentioned in earlier report, due to unavailability of Shri Kaushikbhai N. Patel for few months, the Audit Committee was re-constituted on 6th May 2017 in which Shri Shailesh V. Sonara, Director (Environment & Safety) was appointed vice Shri Kaushikbhai N. Patel. The reconstituted Audit Committee comprised of Shri Vijaykumar R. Shah, Chairman, Smt. Purviben A. Pokhariyal, Member and Shri Shailesh V. Sonara, Member.

The Committee was again re-constituted by reliving Shri Shailesh V. Sonara as member of Committee and re-inducting Shri Kaushikbhai N. Patel, Director as Chairman of the Committee on 15th December 2017. The Audit Committee now comprises of Shri Kaushikbhai N. Patel, Director as Chairman and Shri Vijaykumar R. Shah and Smt. Purviben A. Pokhariyal,Directors as members.

The terms of reference of Audit Committee inter alia includes examination of the financial statements & auditors' report thereon, approval of transactions with related parties, evaluation of internal financial controls and risk management system,recommendation to Board for appointment/remuneration/terms of appointment of auditors and effectiveness of audit process.

No fraud has been reported by the Auditors to the Audit Committee or the Board during the year under review.

The Audit Committee held Seven meetings on 1st April, 2017, 19th May, 2017, 24th May, 2017, 4th August, 2017, 10th November, 2017, 12th February, 2018 and 31st March, 2018 during the year under review.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Shri Kaushikbhai N. Patel, Director as Chairman and Shri Vijaykumar R. Shah and Smt. Purviben A. Pokhariyal,Directors as members.

The terms of the reference of the Nomination and Remuneration Committee inter alia includes to formulate criteria for determining qualifications, positive attributes and independence of a Director, to identify persons qualified to become Directors or appoint any persons in Senior Management, to recommend to the Board the appointment/removal of Directors, key managerial personnel and Senior Management & policy relating to remuneration of Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Committee held two meetings on 6th May, 2017 and 1st November, 2017 during the year under review.

Nomination and Remuneration Policy

The Board of Directors has approved the Nomination and Remuneration policy of the Company on recommendation of Nomination and Remuneration Committee. The Company's Nomination and Remuneration Policy continues to ensure that level and composition of remuneration is reasonable and sufficient to reward good performance of senior level employees of the Company. The Company endeavors to attract, retain and motivate Directors/Key Managerial Personnel (KMP)/Senior Management Personnel. The silent features of the policy are to define the role of the Committee, to formulate criteria for determining qualifications, independence of director, positive attributes for appointment of Directors/Senior Management Personnel and recommend the same including remuneration to Board. The Nomination and Remuneration Policy of the Company is available on the website of the Company.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Shri K. K. Patel, as Chairman and Shri Pankaj R. Patel and Shri Hiren K. Patel as members.

The Corporate Social Responsibility Committee held two meetings on 25th May, 2017 and 10th November, 2017 during the year under review.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Board of Directors has carried out the annual performance evaluation of its own performance, individual Director as well as evaluation of the working of its Board committees. The performance of the independent directors was evaluated by the entire Board except the person being evaluation in meeting. The Nomination and Remuneration Committee of the Company has also carried out performance evaluation of every Director. The performance evaluation was carried out after taking into consideration the various aspects including on the basis of functions, responsibilities, competencies, diversity, and nature of business, functioning of the Board, composition of Committees and fulfillment of specific duties, obligations assigned to it. The Chairman then appraised the Board about the feedback on the performance evaluation of the entire Board and its Committees.

In pursuance to Schedule IV of the Companies Act, 2013, in a separate meeting of Independent Directors, performance of Non-Independent Directors and performance of the Board as a whole including its committees and also the performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors.

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

The particulars as required u/s. 134(3)(m) of the Companies Act, 2013, read with Rule 8 (3) of The Companies (Accounts) Rules, 2014, relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed as Annexure - I and forms part of this Report.

AUDITOR & AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Rajendra D. Shah & Co., Chartered Accountants has been appointed as Auditors for a period of 5 years commencing from the conclusion of 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting by the members of the Company at its 37th Annual General Meeting held on 1st September, 2017. The Auditors have confirmed that they met the criteria specified in the Companies Act, 2013 and rules framed thereunder and are not disqualified from continuing as Auditors of the Company.

The Auditors' Report for the financial year ended 31st March, 2018 on the financial statements of the Company is forming a part of this Annual Report. The Auditors' report does not contain any qualifications, reservations, or adverse remarks. The Notes on Financial Statements referred to Auditor's Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITOR & AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s Rachchh & Rachchha, Company Secretaries, to undertake the Secretarial Audit of your Company for the financial year 2017-18. The Secretarial Audit Report is annexed as Annexure II and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITOR

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit)Rules, 2014, on the recommendation of Audit Committee,Shri Bhalchandra C. Desai, Cost Accountants, has been appointed as the Cost Auditor to conduct the audit of cost records for the financial year 2018-19.

As required under the Act and Rules made thereunder, the resolution pertaining to remuneration payable to the Cost Auditors, as approved by the Board, shall forms part of the Notice convening the Annual General Meeting for ratification by members.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return is annexed herewith as Annexure - III as a part to this Report.

PARTICULARS OF EMPLOYEES

Disclosure under Section 197 of the Companies Act, 2013 read with Rule 5(1)of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2018 are annexed herewith as Annexure - IV as a part to this Report.

Disclosure under Section 197 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) for the year under review is not forming part of this report. In terms of Section 136 of the Act, the said disclosure is open for inspection at the Registered Office of the company. Any shareholder interested in obtaining a copy of the same may write to the Company.

SECRETARIAL STANDARD

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

INSURANCE

Assets of the Company are adequately insured.

VIGIL MECHANISM

The Company has framed a Vigil Mechanism in pursuance to provisions of Section 177 (9) and (10) of the Companies Act, 2013 read with rules framed there under, to report genuine concerns or grievances of all Directors and employees. It provides for adequate safeguards against victimization of persons who use such mechanism to report genuine concerns. No complaint reported during the year under Vigil mechanism. The Audit Committee of the Company oversees the functioning of this policy.

During the year under review, no complaint was reported under the policy framed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Particulars of Loans given, Investments made and Guarantees given or security provided as covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to Financial Statements.

RELATED PARTY TRANSACTIONS

The transactions that were entered into during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee for review & approval and also before the Board for approval, wherever required. Prior Omnibus approval from the Audit Committee has been obtained on a yearly basis for the related party transactions which are foreseeable and repetitive in nature, within the limits authorized by the Board. A statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors on a quarterly basis for review and noting.

During the year, the Company has not entered into any transaction with the related parties which are material in nature and / or not at arms' length basis and hence Form AOC-2 is not applicable to the Company. The related party transactions as are required under Indian Accounting Standard-24 are set out in the notes to the financial statements.

RISK MANAGEMENT& INTERNAL CONTROL

Objective of Risk Management is to identify and then manage threats that could severely impact the organization. Your Company believes that risk should be managed and monitored on a continuous basis. To achieve this, the Company has in place a risk management framework to manage its risks effectively and efficiently on continuous basis. Your Company is addressing all key business, liquidity and financial risks on an ongoing basis by continuous monitoring through adequate internal controls system in place. The Company has adequately insured its assets against various risks.

Your Company has Internal Audit Department which continuously review the adequacy and effectiveness of the internal control systems including continuous oversight on financial and accounting areas. The recommendations and observations of Internal Auditors are regularly reviewed by the Audit Committee to ensure effective internal control.

The Company has effective management reporting system equipped with information system software.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules framed thereunder, the Company has a Corporate Social Responsibility Committee of Directors and has inter alia also formulated a CSR Policy. The CSR activities of your Company were under the thrust areas of education, knowledge enhancement, Healthcare and sanitation, safety environment, rural development and Animal Welfare etc. The report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is included as Annexure V and forms an integral part of this report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with Section 129(3) of the Companies Act, 2013 read with rules framed thereunder and relevant Indian Accounting Standards as applicable, the Company has prepared Consolidated Financial Statements of the Company, its subsidiaries and Associate which form part of this Annual Report.

DEPOSITS

During the year under review, the Company has not accepted any Deposit under the provisions of Section 73 / 76 of the Companies Act, 2013. There was no outstanding towards unclaimed deposit as on 31st March, 2018. However, the Company has received a loan of ₹ 50.86 Crore from Promoter Directors from time to time during the year @ 8% interest p.a. to meet the timely business requirements of the Company and ₹ 519.85 Crore has been repaid during the year under review. The promoter Directors have furnished a declaration in writing to the effect that the amount was not been given out of funds acquired by them by borrowing or accepting loan or deposits from others.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the continued assistance and cooperation received from all lenders, Government authorities, customers, vendors and members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by Company's executives, staff and workers at all levels.

For and on behalf of the Board

Place : Ahmedabad
Date : 25th May, 2018

Dr. K.K. Patel
Chairman
(DIN 00404099)

ANNEXURE - I

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of Energy:

i) Steps taken for conservation of energy:

Energy conservation initiatives are being taken on continuous basis and implemented across manufacturing locations. The Company continues its thrust on improving energy efficiency through optimisation of operation, thereby reducing energy cost. The periodical energy audit also conducted internally by plant as well as third party which continuously update different energy conservation method. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the units. Some of the key measures taken in all the plants are as follows:-

- Installed energy efficient equipments and machineries viz. VFD in motors, low NOx burner for reduction of NOx and thermal energy, energy efficient lightings (like LED) by replacing conventional GLS lamps and FTLs, which reduced the auxiliary power/electricity consumption.
- Efficient use of energy by installing multistage Pre-heater/ Pre-calcinator kilns significantly reduce the fuel (i.e. coal / alternate fuel) requirements.
- Adopted and continued usage of rain water harvesting pond water (till available) in process as well as for greenbelt development in the plant, which conserves the energy of pumping the sea water/ground water.
- Training, awareness and motivational program have been conducted for awareness of conservation of energy.

ii) Steps taken for utilizing alternate sources of energy:

There are four major alternate sources of energy, which are wind energy, solar energy, hydro energy and biomass energy. Key steps taken for utilizing alternate sources of energy:-

- established 6 MW Waste Heat Recovery (WHR) based power plant for generation of power through Waste Heat Recovery through clinker cooler and preheater.
- Continue use Wind Mill Energy as alternative source for electricity by developing 5.7 MW wind mill farm at village – Dhank, Dist. Rajkot and utilizing the same in Mandali plant.
- Substituted thermal energy of kiln by using alternative fuel and conserve fossil fuel.
- Continue use of Soalar Energy based lightning arrangement in residential township area, plant premises areas and surrounding habitats.

iii) Capital investment on energy conservation equipment:

Nil

(B) Technology Absorption:

i) Efforts made towards technology absorption:

The Company makes continuous efforts towards adoption and implementation of new technologies in its product sectors and focused on identifying the alternate fuels, utilization of waste material, improving product quality with improved process and optimizing available resources.

The Company continued to use the latest technology in its existing projects and the production process of Soda Ash, Vacuum salt, Solar salt, Caustic Soda, Fatty Acid, Toilet Soap, LAB and bromine for which the technology and equipment are partly imported from Netherlands, Germany, Italy, USA. Same technology will also be implemented in upcoming expansion.

Further in ongoing new projects of Sodium Bicarbonate and Phosphoric Acid, the technology and equipment are partly imported from Ukrine and Israel respectively.

ii) Benefits derived as a result of the above efforts:

Above technologies are proven globally and environmental friendly having higher product yield and less waste generation in all manner. Other benefits are:

- Improvement in equipment efficiency and in productivity
- Conservation of energy and natural resources, environment by minimization and utilization of waste
- Improves product quality
- Reduction of cost
- Improves solubility and preferred for liquid detergents also
- Higher biodegradability

iii) Information regarding imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

- De Dietrich, Germany Bromine Plant
- Tenova Bateman Technologies, Israel Phosphoric Acid

iv) Expenditure incurred on R&D:

No Specific expenditure including capital and revenue expenditure was incurred on R & D.

(C) Foreign Exchange Earnings and Outgo:

₹ in crore

Particulars	**2017-18**	2016-17
Foreign Exchange Earned	172.66	101.90
Foreign Exchange Expenditure	19.10	42.55
C.I. F value of import	736.80	823.80

For and on behalf of the Board

Place : Ahmedabad
Date : 25th May, 2018

Dr. K.K. Patel
Chairman
(DIN 00404099)

ANNEXURE - II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[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,

NIRMA LIMITED

Ahmedabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nirma 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 Nirma Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Nirma Limited ("the Company") for the financial year ended on 31st March, 2018, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable as the company's shares are not listed during the period under review**;

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

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

Not Applicable as the Company has not issued any further share capital during the period under review;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

Not Applicable as the Company has not issued/granted any stock option during the period under review

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)

Regulations, 1993 regarding the Companies Act and dealing with client;

Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

Not applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Not applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review.

(vi) The Company has identified the following laws as specifically applicable to the Company:

1. Explosive Act, 1884
2. Drugs and Cosmetics Act, 1940,
3. Petroleum Act, 1934
4. Mines Act, 1952
5. Food Safety and Standards Act, 2006
6. The Environment (Protection) Act, 1986 and
7. The Electricity Act, 2003

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India, as applicable.

(ii) Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to only debt securities

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review. 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.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. There were no dissenting views on any matter

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the respective Heads of Departments of the company and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

We further report that during the audit period :

a. The Company has issued following debentures during FY 2017-18 on private placement basis in accordance with the applicable provisions of the Companies Act, 2013 and other applicable provisions & regulations:

   15000 Unsecured, Rated, Listed, redeemable, Non-convertible Debentures ('NCDs') Series IV with face value of ₹ 10,00,000/- each aggregating to ₹ 15,00,00,00,000/- under three different tranches having call option exercised at the option of the Company.

The above referred debentures has been listed on Wholesale Debt Market (“WDM”) segment of National Stock Exchange of India Ltd. (“NSE”)

b. During the year under review, a Wholly Owned Subsidiary M/s Nirchem Cement Ltd. has been merged with M/s Nuvoco Vistas Corporation Ltd. (Nuvoco) (formerly known as Lafarge India Ltd) vide the order of the National Company Law Tribunal, Mumbai Bench, dated 6th April, 2017.

For Rachchh & Rachchha
Company Secretaries

Place : Ahmedabad
Date : 25th May, 2018

Kalpesh P. Rachchh
Partner
FCS No. 5156
C P No.: 3974

To,

The Members,

NIRMA LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

   We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rachchh & Rachchha
Company Secretaries

Place : Ahmedabad
Date : 25th May, 2018

Kalpesh P. Rachchh
Partner
FCS No.5156
C P No.: 3974

ANNEXURE - III

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U24240GJ1980PLC003670
2	Registration Date	25.02.1980
3	Name of the Company	Nirma Limited
4	Category/Sub-category of the Company	Public Company /Limited by Shares
5	Address of the Registered Office & Contact details	Nirma House, Ashram Road, Ahmedabad – 380009, Gujarat. Tel: 079-27546565, 27549000 Fax: 079-27546603
6	Whether Listed Company	Yes, only Debt Securities are listed
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited For Equity Shares : 5th floor, 506 to 508 Amarnath Business Centre-1, Off. C. G. Road, Ellisbridge, Ahmedabad – 380006. Tel No.: 079-2646 5179, E-mail: ahmedabad@linkintime.co.in For Debt Securities: 247 Park, C-101 L.B.S. Marg, Vikhroli (West), Mumbai 400083, Tel No.: +91 22 4918 6000 E-mail: ganesh.jadhav@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.	Name and Description of main products / services	NIC Code of the product / service	% of total turnover of the Company
1	Soda Ash	20119	35.42
2	Detergent	20233	20.05

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Nirchem Cement Limited* 502, 5th Floor, Saraswati Niwas, Hanuman Road, Vile Parle (East), Mumbai, Maharashtra, India, 400005	U26100MH2016PLC284338	Subsidiary	100%	2(87)
2	Nuvoco Vistas Corporation Limited* (formerly known as Lafarge India Ltd) Equinox Business Park,Tower 3, East Wing, 4th Floor, LBS Road, Kurla(W) Mumbai, Maharashtra – 400070, India	U26940MH1999PLC118229	Subsidiary	100%	2(87)
3	Rima Eastern Cement Limited** (formerly known as Lafarge Eastern India Ltd) Equinox Business Park,Tower 3 East Wing, 4th Floor,LBS Marg, Kurla Mumbai, Maharashtra -400070, India	U36900MH2015PLC263181	Subsidiary	100%	2(87)
4	Karnavati Holding Inc., USA	N.A	Subsidiary	100%	2(87)
5	Searles Valley Minerals Inc., USA	N.A	Subsidiary	100%	2(87)
6	Searles Valley Minerals Europe, France	N.A	Subsidiary	100%	2(87)
7	Searles Domestic Water Company LLC, USA	N.A	Subsidiary	100%	2(87)
8	Trona Railway Company LLC, USA	N.A	Subsidiary	100%	2(87)
9	FRM Trona Fuels LLC, USA	N.A	Associate	49%	2(6)
10	WardhaVaalley Coal Field Private Limited A-23 New OfficeComplex, Defence Colony, New Delhi, India - 110024	U10300DL2010PTC197802	Joint Venture	19.14%	2(6)

* "Nirchem Cement Limited" ("NCL") was amalgamated with Nuvoco Vistas Corporation Limited with effective date of 19.04.2017 having appointed date 04.10.2016.

** Under Process of Striking off

IV. SHAREHOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2017)				No. of Shares held at the end of the year (As on March 31, 2018)				% of change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	83854792	4914	83859706	57.41	83854792	4914	83859706	57.41	0.00
b) Central Govt.	0	0	0	0	0	0	0	0	0.00
c) State Govt.	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
e) Banks / FIs	0	0	0	0	0	0	0	0	0.00
f) any other*	62215424	0	62215424	42.59	62215424	0	62215424	42.59	0.00
Sub-total (A)(1)	**146070216**	**4914**	**146075130**	**100.00**	**146070216**	**4914**	**146075130**	**100.00**	**0.00**
(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0.00
b) other Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
e) Banks / FIs	0	0	0	0	0	0	0	0	0.00
f) any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+ (A)(2)	**146070216**	**4914**	**146075130**	**100.00**	**146070216**	**4914**	**146075130**	**100.00**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual funds	0	0	0	0	0	0	0	0	0.00
b) Banks / FIs	0	0	0	0	0	0	0	0	0.00
c) Central Govt.	0	0	0	0	0	0	0	0	0.00
d) State Govt.	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
f) Insurance Cos.	0	0	0	0	0	0	0	0	0.00
g) FIIs	0	0	0	0	0	0	0	0	0.00
h) Foreign venture capital funds	0	0	0	0	0	0	0	0	0.00
i) others	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
(2) Non Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0.00
ii) Overseas	0	0	0	0	0	0	0	0	0.00
B) Individuals									0.00
i) Individual Shareholders holding nominal share capital upto ₹ 2 Lac	0	0	0	0	0	0	0	0	0.00
ii) Individual Shareholders holding nominal share capital in excess of ₹ 2 Lac	0	0	0	0	0	0	0	0	0.00
c) others	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
C. Shares held by custodian for GDRs and ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
Grand Total (A+B+C)	**146070216**	**4914**	**146075130**	**100.00**	**146070216**	**4914**	**146075130**	**100.00**	**0.00**

* *Shares held as Trustee of Trusts.*

ii) Share Holding of Promoters

Sr.	Shareholders Name	Shareholding at the beginning of the year (As on April 1, 2017)			Shareholding at the end of the year (As on March 31, 2018)			% of change in shareholding during the year
		No. of Shares*	% of total shares of the Co	% of Shares pledge / encumbered to total shares	No. of Shares*	% of total shares of the Co	% of Shares pledge / encumbered to total shares	
1	Karsanbhai K. Patel	56765225	38.86	0	56765225	38.86	0	0
2	Rakesh K. Patel [1]	34744224	23.78	0	34744124	23.78	0	0 [2]
3	Hiren K. Patel [1]	26947280	18.45	0	26947180	18.45	0	0 [2]
4	Shantaben K. Patel	27618401	18.91	0	27618401	18.91	0	0
5	Keyuriben R. Patel [1]	0	0	0	100	0.00	0	0 [2]
6	Rajalben H. Patel [1]	0	0	0	100	0.00	0	0 [2]
	Total	**146075130**	**100.00**	**0**	**146075130**	**100.00**	**0**	**0.00**

** including shares held jointly and / or as Trustee of Trusts*

1 Promoters' Inter-se transfer on 04.12.2017

2 Negligible

iii) Change in Promoters' Share Holding

Sr.	Particulars	Shareholding at the beginning of the year (As on April 1, 2017)		Cumulative Shareholding during the year	
		No. of Shares*	% of total shares of the Company	No. of Shares*	% of total shares of the Company
1	**Rakesh K. Patel**				
	At the beginning of the year	10600800	7.26	10600800	7.26
	Increase / (Decrease)during the year [1]	(100)	0.00	10600700	7.26
	At the end of the year	10600700	7.26	10600700	7.26
2	**Hiren K. Patel**				
	At the beginning of the year	10942080	7.49	10942080	7.49
	Increase / (Decrease) during the year [1]	(100)	0.00	10941980	7.49
	At the end of the year	10941980	7.49	10941980	7.49
3	**Keyuriben R. Patel**				
	At the beginning of the year	0	0.00	0	0.00
	Increase / (Decrease) during the year [1]	100	0.00	100	0.00
	At the end of the year	100	0.00	100	0.00 [2]
4	**Rajalben H. Patel**				
	At the beginning of the year	0	0.00	0	0.00
	Increase / (Decrease) during the year [1]	100	0.00	100	0.00
	At the end of the year	100	0.00	100	0.00 [2]

** Shares held in individual capacity*

1 Promoters' Inter-se transfer on 04.12.2017

2 Negligible

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr.	Particulars	Shareholding at the beginning of the year (As on April 1, 2017)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Not Applicable					

v) Shareholding of Directors and Key Managerial Personnel

Sr.	Particulars	Shareholding at the beginning of the year (As on April 1, 2017)		Cumulative Shareholding during the year	
		No. of Shares*	% of total shares of the Company	No. of Shares*	% of total shares of the Company
A. Directors and Key Managerial Personnel$					
1	**Karsanbhai K. Patel**				
	At the beginning of the year	34698425	23.75	34698425	23.75
	Increase / (Decrease) during the year	0	0.00	0	0.00
	At the end of the year	34698425	23.75	34698425	23.75
2	**Rakesh K. Patel**				
	At the beginning of the year	10600800	7.26	10600800	7.26
	Increase / (Decrease) during the year**	(100)	0.00	10600700	7.26
	At the end of the year	10600700	7.26	10600700	7.26
3	**Hiren K. Patel**				
	At the beginning of the year	10942080	7.49	10942080	7.49
	Increase / (Decrease) during the year**	(100)	0.00	10941980	7.49
	At the end of the year	10941980	7.49	10941980	7.49

* *Shares held in individual capacity*

** *Promoters' Inter-se transfer on 04.12.2017*

$ *Other than above Directors, no other Director and KMP hold any shares in the Company.*

There has been no change in the shareholding of the Directors /Key Managerial Personnel during the year except as mentioned above.

V) INDEBTEDNESS

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

₹ in crore

Particulars	Secured Loans excl. Deposits	Unsecured Loans	Deposits*	Total Indebtedness
Indebtedness at the beginning of the financial year				
1. Principal Amount	4,025.20	1,642.26	138.45	5,805.91
2. Interest due but not paid	0	0	0	0
3. Interest accrued but not due	62.31	41.58	0	103.89
Total (1+2+3)	**4,087.51**	**1,683.84**	**138.45**	**5,909.80**
Change in Indebtedness during the financial year				
Addition	0	1603.40	8.80	1612.20
Reduction	144.70	1683.84	0	1828.54
Net Change	-144.70	-80.44	8.80	-216.34
Indebtedness at the end of the financial year				
1. Principal Amount	3882.86	1487.26	147.25	5517.37
2. Interest due but not paid	0	0	0	0
3. Interest accrued but not due	59.95	116.14	0	176.09
Total (1+2+3)	**3942.81**	**1603.40**	**147.25**	**5693.46**

* *Trade Deposits includes interest accrued but not paid.*

VI) REMUNERATION OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and / or Manager

₹ in crore

Sr.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Managing Director	Whole Time Director (Designated as Director Environment and Safety)	
		Shri Hiren K. Patel	Shri Shailesh V. Sonara	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1.80	0.13	1.93
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.28	Nil	0.28
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as% of Profit - others	Nil	Nil	Nil
5	Others	0.67	0.05	0.72
	Total (A)	2.75	0.18	2.93
	Ceiling as per the Act	₹ 57.59 Crore being 10% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013.		

B. Remuneration to other Directors

Amount in ₹

Sr.	Particulars of Remuneration	Name of Directors				Total Amount
1	Name of Independent Directors	Shri Pankaj R. Patel	Shri Chinubhai R. Shah	Shri Vijaykumar R. Shah	Smt. Purviben A. Pokhariyal	
	Fees for attending Board / Committee meetings	50,000	1,25,000	1,45,000	1,15,000	4,35,000
	Commission	Nil	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil	Nil
	Total (1)	**50,000**	**1,25,000**	**1,45,000**	**1,15,000**	**4,35,000**
2	Other Non-Executive Directors	Shri Karsanbhai K. Patel	Shri Rakesh K. Patel	Shri Kaushikbhai N. Patel		**Total Amount**
	Fees for attending Board / Committee meetings	1,25,000	1,25,000	50,000		3,00,000
	Commission	Nil	Nil	Nil		Nil
	Others	16,105	34,141	Nil		50,246
	Total (2)	**1,41,105**	**1,59,141**	**50,000**		**3,50,246**
	Total (B)= (1+2)					**7,85,246**
	Overall ceiling as per the Act	₹ 5.76 Crore being 1% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013.				

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

₹ in crore

Sr.	Particulars of Remuneration	Name of key Managerial Personnel			Total Amount
		CFO		Company Secretary	
		Shri Rajendra J. Joshipara (upto 09.11.2017)	Shri Satish C. Shah (Appointed w.e.f. 10.11.2017)	Shri Paresh B. Sheth	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0.33	0.15	0.30	0.78
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.001	Nil	Nil	0.001
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
5	Others	0.03	0.06	0.08	0.17
	Total	**0.36**	**0.21**	**0.38**	**0.95**

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	Nil				
Punishment					
Compounding					
B. Directors					
Penalty	Nil				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	Nil				
Punishment					
Compounding					

ANNEXURE - IV

Disclosure of remuneration of employees under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I. Ratio of remuneration of each director to the median remuneration of the employees of the company for the year 2017-18 and the percentage increase in remuneration of each Director, CFO, CS in the financial year 2017-18

Name of the Director	Ratio of remuneration of each Director to median remuneration of the employees for FY 2017-18	% Increase in Remuneration of each Director, CFO, CS in FY 2017-18
Shri. Hiren K. Patel	75.02	(20.9)$
Shri Shailesh V. Sonara	4.84	11.72
Shri K. K. Patel	0.04	N.A.#
Shri Rakesh K. Patel	0.01	N.A.#
Shri Kaushik N. Patel*	N.A.	N.A.
Shri Pankaj R. Patel*	N.A.	N.A.
Shri Chinubhai R. Shah*	N.A.	N.A.
Shri Vijay R. Shah*	N.A.	N.A.
Smt. Purvi A. Pokhariyal*	N.A.	N.A.
Shri Rajendra J. Joshipara (CFO) (upto 09.11.2017)	--	3.36
Shri Satish C. Shah (CFO)** (w.e.f. 10.11.2017)	--	N.A.
Shri Paresh B. Sheth (CS)	--	22.36

* Not applicable since they were paid only sitting fees during FY 2017-18.

** Not applicable since Shri Satish C. Shah was appointed as CFO w.e.f. 10.11.2017.

Note: For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration. Base: Cost to the Company.

$ On account of variation in the amount of specified perquisites and Retirement benefits.

\# Not Comparable on account of payment of negligible amount of specified perquisites only.

II. The median remuneration of the employees has increased by 11.50% in the financial Year 2017-18

III. Number of permanent employees on the rolls of the company as the end of financial year 2017-18 were 4925

IV. Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year was 10.08%, whereas the percentile increase in the managerial remuneration in the last financial year was (14.62%)

The remuneration of Key Managerial Personnel and Senior Management Personnel shall be determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity, market conditions and prevailing HR policies of the Company. The annual increments of the remuneration paid to the employees shall be determined based on the appraisal carried out by the Head of Departments of various departments,Company's performance, inflation, prevailing industry trends and benchmarks. Decision on Annual Increments shall be made on the basis of their appraisal.

For and on behalf of the Board

Place : Ahmedabad.
Date : 25th May, 2018

Dr. K. K. PATEL
Chairman
(DIN 00404099)

ANNEXURE - V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken.

   Your Company's CSR policy comprises of broad objectives of the policy, thrust areas for undertaking CSR activities and system for implementation and monitoring the CSR Projects. The CSR projects identified and carried out by Company during the year under review are as per the CSR policy of the Company and also within activities specified in Schedule VII of the Companies Act, 2013.

   The focus areas of our CSR activities during the financial year were mainly relating to Promoting education, Promoting health Care including preventive health care, sanitation, Eradication of Hunger and Poverty, Rural Development, Making available Safe Drinking water and Animal welfare etc.

2. Composition of CSR Committee

   Dr. K. K. Patel, Chairman (Non Executive Director)

   Shri Pankaj R. Patel (Independent Director)

   Shri Hiren K. Patel (Managing Director)

3. Average net profit of the Company for last three Financial Years

   The average Net profit for the last three financial years is ₹ 567.69 Crore

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

   The Company is required to spend ₹ 11.35 Crore towards CSR for the financial year 2017-18

5. Details of CSR spent during the financial year.

   a. total amount to be spent for the financial year ₹ 11.35 crore

   b. Amount unspent, if any: ₹ 3.69 Crore

   c. Manner in which the amount spent during the financial year detailed below.

₹ in crore

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.N.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or programs** **1. Local area or others** **2. Specify the State and District where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the programs sub heads:** **1. Direct expenditure on projects** **2. Overheads**	**Cumulative expenditure up to the reporting period**	**Amount Spent: Direct or through implementing agency**
1	Contribution for education purpose to the Education Corpus of Trust/ Authority/ schools for promoting education, distribution education kit etc.	Promoting education, including special education and vocation skills.	Ahmedabad, Baroda, Bhavnagar, Mehsana (Gujarat) and Nimbol, Pali (Rajasthan)	0.35	0.35	0.35	Directly and through implementing agency – Gram Panchayat, Shree Bhagwat Vidhayapith Trust
2	Donation to trust / Society for Education, Healthcare, Eradication of hunger and Poverty	Promoting education, & Promoting preventive health care, Eradication of Hunger and Poverty	Rajkot (Gujarat) Kolkata (West Bengal)	1.34	1.34	1.34	Through implementing Agency - Yogoda Satsanga Society of India and Shri Khodaldham Trust Kagvad
3	Contribution for building Super multi-specialty hospital, Medical Centre, Sanitary material, Healthcare and Swachhta Abhiyan	Promoting health Care including preventive health care and sanitation, Contribution to Swachhta Abhiyan	Ahmedabad,Surat, Bhavnagar (Gujarat) and Chennai (Tamilnadu)	4.57	4.57	4.57	Directly and through implementing agency - Gram panchayat, Indian Renal Foundation, Samast Patidar Arogya Trust, Datri Blood Stem Cell Donor

₹ in crore

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.N.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or others 2. Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the programs sub heads: 1. Direct expenditure on projects 2. Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
4	Deeping of pond for Drinking Water	Making available safe drinking water	Pali (Rajasthan)	0.27	0.27	0.27	Directly
5	Contribution and Various Civil work	Rural Development	Baroda, Bhavnagar (Gujarat) Pali (Rajasthan)	1.11	1.11	1.11	Directly and Indirectly - through Gram panchayat, Western Railway
6	Grass Given to Cattles	Animal welfare	Bhavnagar (Gujarat)	0.02	0.02	0.02	Indirectly – through Gram panchayat

6. In case the Company has failed to spend the two percent, of the average net profit of the latest financial year of any part thereof, the Company shall provide the reasons for not spending the amount in the Board report.

   The Company has already spent ₹ 7.66 Crore towards various CSR activities during the year. The Company could not spend the full amount due to various reasons, some of the programmes are in the nature of multi years, the unspent amount of ₹ 3.69 Crore for f.y. 2017-18 will be spent in such type of programs or other CSR activities.

7. Responsibility Statement by the Corporate Social Responsibility Committee:

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

Place : Ahmedabad.
Date : 25th May, 2018

Hiren K. Patel
Managing Director
(DIN 00145149)

Dr. K. K. PATEL
Chairman
CSR Committee
(DIN 00404099)

INDEPENDENT AUDITORS' REPORT

To
The Members
Nirma Limited
Ahmedabad

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Nirma Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies(Indian Accounting Standards) Rules, 2015 under section 133 of the Act.

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Emphasis of Matters

We draw attention to the following matter in the Note no 53 to the financial statements. The Composite Scheme of Compromise and Arrangement between Core Health Care Limited(CHL), the Demerged Company, its Lender and Shareholder and Nirma Limited, the Resulting Company and its Shareholders (the Scheme) under Sections 78, 100, 391 to 394 of Companies Act,1956 has been sanctioned by the Hon'ble High Court of Gujarat vide an order dated 1st March, 2007. The Scheme has become effective from 7th March, 2007. Three parties have filed appeal against this order before the Division Bench of Hon'ble High Court of Gujarat. The Scheme is subject to the result of the said appeal. The Demerged Undertaking i.e. healthcare division has been transferred to Aculife Healthcare Private Limited from 1st October 2014.

Our opinion is not modified in respect of these matters.

Other matters:

The Audited Standalone financial statements for the year ended 31st March 2017, was carried out and reported by Hemanshu Shah & Co., vide their unmodified audit report dated May 25, 2017 whose report has been furnished to us by management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(A) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A"a statement on the matters specified in paragraphs 3 and 4 of the Order.

(B) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including the statement of other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note No.41

ii. The Company has made provision as at 31st March, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.

For Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No.108363W

Place : Ahmedabad
Date : May 25, 2018

(Rajendra.D.Shah)
Proprietor
Membership No. 4844

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Refer to paragraph (A) on other Legal and Regulatory Requirements of our report of even date.)

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b) In our opinion and according to the information and explanations given to us during the course of the audit, fixed assets have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) In our opinion and according to the information and explanations given to us during the course of the audit, title deeds of all immovable properties included property, plant and equipment are in the name of Company except land of ₹ 1.83 crore acquired on amalgamation.

ii) a) The inventories other than that of with third parties have been physically verified by the management at reasonable intervals. There is a process of obtaining confirmation in respect of inventory with the third parties.

b) In our opinion and according to the information and explanations given to us during the course of the audit, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company has maintained proper records of inventories. As per the information and explanations given to us no material discrepancies were noticed on physical verification.

iii) According to the information and explanations given to us during the course of the audit, the Company has not granted loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause (iii) of paragraph 3 of the CARO 2016 are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us during the course of the audit, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of Companies Act, 2013 have been complied with.

v) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not accepted any deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Companies Act 2013 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made the detailed examination of the same.

vii) (a) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is generally regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services tax, Cess and any other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

(b) Following are the details of disputed Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess have not been deposited to the concerned authorities as on 31st March, 2018:

Sr. No	Name of the statute	Nature of the dues	Forum where dispute is pending	Unpaid amount (₹ in crore)
1	Income Tax Act, 1961	Income Tax	Assessing Officer	1.79
			Commissioner of Income tax (Appeal)	0.99
2	Central Sales Tax Act and Sales Tax Act of various states	Central Sales Tax and Sales Tax	Commissioner (Appeals)	10.63
			Appellate Board	1.68
			Tribunal	4.51
			High court	8.15
			Supreme court	64.56
3	Finance Act,1994 (Service Tax)	Service Tax	Commissioner (Appeals)	3.99
			Tribunal	2.20
4	Customs Duty Act,1962	Customs Duty	Commissioner (Appeals)	14.31
			Tribunal	7.26
			High court	1.10
5	Central Excise Act, 1944	Excise Duty	High Court	0.09

viii) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of Private Placement of Non-convertible Debentures during the year for which they were raised.

x) In our opinion and according to the information and explanations given to us during the course of the audit, we report that no material fraud by the Company and no material fraud on the Company have been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) In our opinion and according to the information and explanations given to us during the course of the audit, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act,2013 and details have been disclosed in the Financial statements etc, as required by the applicable Indian accounting standards.

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

xvi) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act 1934.

For Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No.108363W

Place : Ahmedabad
Date : May 25, 2018

(Rajendra.D.Shah)
Proprietor
Membership No. 4844

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

We have audited the internal financial controls over financial reporting of Nirma Limited ("the Company") as of 31st March 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not 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 31st March 2018, 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 Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No.108363W

Place : Ahmedabad
Date : May 25, 2018

(Rajendra.D.Shah)
Proprietor
Membership No. 4844

BALANCE SHEET AS AT 31ST MARCH 2018

₹ in crore

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	**4,082.51**	4,206.95
(b) Capital work-in-progress	3	**533.58**	153.70
(c) Investment Property	4	**10.30**	10.30
(d) Other Intangible assets	5	**14.85**	14.83
(e) Investments in subsidiaries	6	**4,560.47**	4,543.02
(f) Financial assets			
(i) Investments	7	**46.30**	64.17
(ii) Loans	8	**335.29**	313.50
(iii) Other financial assets	9	**3.12**	3.13
(g) Other non current assets	10	**25.65**	37.80
Total non current assets		**9,612.07**	9,347.40
2 Current Assets			
(a) Inventories	11	**1,117.63**	1,105.65
(b) Financial assets			
(i) Trade receivables	12	**568.07**	468.73
(ii) Cash and cash equivalents	13	**14.06**	52.62
(iii) Bank balances other than (ii) above	14	**21.37**	20.42
(iv) Loans	15	**65.22**	73.42
(v) Other financial assets	16	**14.31**	10.29
(c) Other current assets	17	**106.55**	214.26
Total current assets		**1,907.21**	1,945.39
TOTAL ASSETS		**11,519.28**	11,292.79
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	**73.04**	73.04
(b) Other equity	19	**4,570.45**	4,163.69
Total equity		**4,643.49**	4,236.73
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	**3,873.35**	4,549.40
(ii) Other financial liabilities	21	**147.26**	138.47
(b) Provisions	22	**68.42**	67.52
(c) Deferred tax liabilities (Net)	23	**272.61**	238.56
Total non current liabilities		**4,361.64**	4,993.95
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	24	**356.11**	1,041.40
(ii) Trade payables	25	**306.71**	238.85
(iii) Other financial liabilities	26	**1,442.99**	339.64
(b) Other current liabilities	27	**107.31**	120.19
(c) Provisions	28	**19.44**	13.68
(d) Current tax liabilities (Net)	29	**281.59**	308.35
Total current liabilities		**2,514.15**	2,062.11
Total liabilities		**6,875.79**	7,056.06
TOTAL EQUITY AND LIABILITIES		**11,519.28**	11,292.79
Significant Accounting Policies	1		
The accompanying Notes 2 to 63 are an integral part of the Financial Statements.			

As per our report of even date

For and on behalf of the Board

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

Rajendra D. Shah
Proprietor
Membership No.4844

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

Place : Ahmedabad
Date : May 25, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2018

₹ in crore

	Particulars	Note No	2017-2018	2016-2017
I	Revenue from operations	30	**5,879.50**	5,417.15
II	Other income	31	**108.10**	133.50
III	**Total Income (I+II)**		**5,987.60**	5,550.65
IV	**Expenses**			
	(a) Cost of materials consumed	32	**1,815.74**	1,530.97
	(b) Purchases of stock in trade		**14.70**	53.63
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	33	**47.33**	(29.45)
	(d) Excise duty		**180.80**	597.11
	(e) Employee benefits expenses	34	**324.99**	298.22
	(f) Finance costs	35	**449.88**	297.44
	(g) Depreciation and amortisation expenses	36	**448.49**	253.89
	(h) Other expenses	37	**2,132.65**	1,814.55
	Total Expenses (IV)		**5,414.58**	4,816.36
V	**Profit before exceptional items and tax (III-IV)**		**573.02**	734.29
VI	Exceptional items		**Nil**	102.13
VII	**Profit before tax (V-VI)**		**573.02**	632.16
VIII	**Tax expense**	38		
	(a) Current tax		**124.00**	135.50
	(b) Tax expenses relating to earlier year		**(4.81)**	(1.00)
	(c) MAT credit utilised/(entitlement)		**(42.75)**	(111.00)
	(d) MAT credit entitlement relating to earlier year		**(41.59)**	(46.76)
	(e) Deferred tax		**118.57**	224.04
	Total Tax Expenses		**153.42**	200.78
IX	**Profit for the year from continuing operations (VII-VIII)**		**419.60**	431.38
X	**Other Comprehensive income**	39		
	(a) Items that will not be reclassified to profit or loss		**(13.02)**	7.84
	(b) Income tax relating to items that will not be reclassified to profit or loss		**0.18**	1.16
	(c) Items that will be reclassified to profit or loss		**Nil**	Nil
	(d) Income tax relating to items that will be reclassified to profit or loss		**Nil**	Nil
	Total Other comprehensive income		**(12.84)**	9.00
XI	**Total Comprehensive income for the year (IX+X)**		**406.76**	440.38
XII	**Earnings per equity share**	52		
	(i) Basic (in ₹)		**28.72**	29.53
	(ii) Diluted (in ₹)		**28.72**	29.53
	Significant Accounting Policies The accompanying Notes 2 to 63 are an integral part of the Financial Statements.	1		

As per our report of even date

For and on behalf of the Board

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity share capital

Equity shares of ₹ 5 each

₹ in crore

Particulars	As at 1st April, 2016	Changes in equity share capital during 2016-2017	As at 31st March, 2017	**Changes in equity share capital during 2017-2018**	**As at 31st March, 2018**
	73.04	Nil	73.04	**Nil**	**73.04**

B. Other equity as at 31st March, 2018

₹ in crore

Particulars	Reserves & Surplus							Items of other comprehensive income		Total
	Capital Reserve	Equity Security Premium	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Non cash contribution from Owners	Retained Earnings	Remeasurements of defined benefit plans	Equity instruments through other comprehensive Income	
Balance at April 1, 2016	328.17	29.81	32.35	40.53	1,925.82	1.17	1,319.02	0.65	45.79	3,723.31
Retained earning during the year	Nil	Nil	Nil	Nil	Nil	Nil	431.38	Nil	Nil	431.38
Other comprehensive income for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(5.17)	14.17	9.00
Total comprehensive income for the year	Nil	Nil	Nil	Nil	Nil	Nil	431.38	(5.17)	14.17	440.38
Transfer from Non cash contribution from owners to retained earnings	Nil	Nil	Nil	Nil	Nil	(1.17)	1.17	Nil	Nil	Nil
Transfer of Debenture Redemption Reserve to General Reserve on redemption of debenture	Nil	Nil	Nil	(14.22)	14.22	Nil	Nil	Nil	Nil	Nil
Creation of Debenture Redemption Reserve from Retained earnings	Nil	Nil	Nil	85.83	Nil	Nil	(85.83)	Nil	Nil	Nil
Transfer from retained earnings to Capital Redemption Reserve on redemption of preference shares	Nil	Nil	10.00	Nil	Nil	Nil	(10.00)	Nil	Nil	Nil
Balance at March 31, 2017	328.17	29.81	42.35	112.14	1,940.04	Nil	1,655.74	(4.52)	59.96	4,163.69
Balance at April 1, 2017	**328.17**	**29.81**	**42.35**	**112.14**	**1,940.04**	**Nil**	**1,655.74**	**(4.52)**	**59.96**	**4,163.69**
Retained earning during the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**419.60**	**Nil**	**Nil**	**419.60**
Other comprehensive income for the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**(0.96)**	**(11.88)**	**(12.84)**
Total comprehensive income for the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**419.60**	**(0.96)**	**(11.88)**	**406.76**
Transfer of Debenture Redemption Reserve to General Reserve on redemption of debenture	**Nil**	**Nil**	**Nil**	**(14.41)**	**14.41**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Creation of Debenture Redemption Reserve from Retained earnings	**Nil**	**Nil**	**Nil**	**259.16**	**Nil**	**Nil**	**(259.16)**	**Nil**	**Nil**	**Nil**
Balance at March 31, 2018	**328.17**	**29.81**	**42.35**	**356.89**	**1,954.45**	**Nil**	**1,816.18**	**(5.48)**	**48.08**	**4,570.45**

The accompanying Notes 1 to 63 are an integral part of the Financial Statements.

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. SHAH
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

₹ in crore

			2017-2018	2016-2017
	Cash flow from continuing operations			
A	**Cash flow from operating activities :**			
	Profit before tax		**573.02**	632.16
	Adjustments for :			
	Exceptional Items		**Nil**	102.13
	Property, Plant & Equipment/CWIP written off		**6.82**	Nil
	Loss of Asset due to damage		**4.10**	Nil
	Depreciation and amortisation		**448.49**	253.89
	Interest Income		**(89.71)**	(87.55)
	Finance Cost - net of capitalization		**449.88**	297.44
	Exchange fluctuation loss (Net)		**0.14**	0.33
	Profit on sale of Property Plant and equipment (Net)		**(0.36)**	(0.22)
	Dividend on non current investments		**(0.44)**	(0.55)
	Provision for mines reclamation expenses		**0.20**	0.62
	Provision for doubtful loans and advances		**Nil**	1.88
	Provision for Bad debt		**0.02**	Nil
	Bad debts written off		**Nil**	52.84
	Sundry balance Written off		**(1.27)**	(0.36)
	Net gain on sale of current investments		**(5.65)**	(20.44)
			812.22	600.01
	Operating profit before working capital changes		**1,385.24**	1,232.17
	Adjustments for :			
	(Increase)/ Decrease in trade and other receivables	6.37		(29.24)
	(Increase)/ Decrease in Inventories	(11.98)		(294.72)
	Increase in trade/ other payables, provisions and other liability	70.07		42.37
			64.46	(281.59)
	Cash generated from operations		**1,449.70**	950.58
	Refund/Payment of direct taxes (Net)		**(123.12)**	5.41
	Net cash from operating activities		**1,326.58**	955.99
B	**Cash flow generated from investing activities :**			
	Purchase of Property Plant and equipment	(698.18)		(1,107.53)
	Sale of Property Plant and equipment	0.58		0.73
	Sale of current Investments	1,912.15		4,152.87
	Sale of non current Investments	2.66		20.00
	Investment in Subsidiary Company	Nil		(4,000.00)
	Purchase of current investments	(1,906.50)		(3,992.43)
	Interest received	30.31		63.64
	Dividend on non current investments	0.44		0.55
			(658.54)	(4,862.17)
	Net cash used in investing activities		**668.04**	(3,906.18)
C	**Cash flow generated from financing activities :**			
	Change in loans and advances	(2.39)		(326.77)
	Proceeds from Short Term borrowings	30.00		2,114.48
	Repayment of Short Term borrowings	(712.80)		(1,534.99)
	Proceeds from Long Term borrowings	1,561.22		4,040.04
	Repayment of Long Term borrowings	(1,097.37)		Nil
	Interest paid	(425.19)		(301.27)
	Payment on account of redemption of preference shares	Nil		(10.00)
	Redemption of Debentures	(60.00)		(60.00)
	Unclaimed Dividend paid	(0.07)		(0.09)
	Net cash used in financing activities		**(706.60)**	3,921.40
	Net increase in cash and cash equivalents		**(38.56)**	15.22

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

₹ in crore

	2017-2018	2016-2017
Net increase/(decrease) in cash and cash equivalents	**(38.56)**	15.22
Cash and cash equivalents at the beginning of the year (Refer Note No. 13)	**52.62**	37.40
Cash and cash equivalents at end of the year (Refer Note No. 13)	**14.06**	52.62

Notes :

(1) The above Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (IND AS) 7- "Cash Flow Statements".

(2) Previous year's figures have been regrouped, wherever necessary.

(3) Disclosure as required by (IND AS) 7 - "Cash Flow Statements" - Changes in liabilities arising from financing activities :

(₹ in crore)

Particulars	2017-2018
Opening Balance as on 01.04.2017	**5,771.33**
Non Cash Movement	
Accrual of Interest	**420.89**
Cash Movement	
Proceeds from Borrowings	**1,591.22**
Principal Repayment	**(1,870.17)**
Interest Repayment	**(367.07)**
Closing Balance as on 31.03.2018	**5,546.20**

(4) The accompanying Notes 1 to 63 are an integral part of the Financial Statements.

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

Notes to standalone financial statements for the year ended 31st March, 2018

Note - 1

I. Company Information

Nirma Ltd. (the company) is a company domiciled in India and incorporated under the provisions of Companies Act, 1956 of India as a Private Ltd. company. The company has its registered office at Nirma House, Ashram Road, Ahmedabad - 380009, Gujarat, India. The company is engaged in manufacturing and selling of various products as mentioned below:

A. Industrial chemicals like Soda Ash, Linear Alkyl Benzene, Caustic Soda, etc.

B. Consumer products like Detergents, Toilet Soaps, Salt, etc.

C. Cement and Clinker

II. Basis of preparation

A. The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through profit or loss(Note 49)
2. Financial instruments measured at fair value through other comprehensive income(Note 49)
3. Defined benefit plans – plan assets measured at fair value(Note 47)

III. Significant accounting policies

A. Revenue recognition

1. Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

2. Sale of goods – non-cash incentive schemes (deferred revenue)

The company operates a non-cash incentive scheme programme where dealers / agents are entitled to non-cash incentives on achievement of sales targets. Revenue related to the non-cash schemes is deferred and recognised when the targets are achieved. The amount of revenue is based on the realisation of the sales targets to the period of scheme defined.

3. Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

4. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

C. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

D. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

E. Taxes

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2. Deferred tax

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

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

i. deductible temporary differences;

ii. the carry forward of unused tax losses; and

iii. the carry forward of unused tax credits.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised an asset in accordance with recommendations contained in Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to an extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period.

F. Discontinued operations

Assets and Liabilities of discontinued operations are assessed at each Balance Sheet date. Impacts of any impairment and write-backs are dealt with in the Statement of Profit and Loss. Impacts of discontinued operations are distinguished from the ongoing operations of the company, so that their impact on the statement of Profit and Loss for the year can be perceived.

G. Leases

1. Company as a lessee

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

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

2. Company as a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

H. Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

i. The date of the plan amendment or curtailment, and

ii. The date that the company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

1. Long-term employee benefits

Post-employment and other employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post-employment and other long term benefits are charged to the statement of other comprehensive income.

2. Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

I. Non-current assets held for sale

The company classifies non-current assets and disposal company's as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The company treats sale of the asset to be highly probable when:

i. The appropriate level of management is committed to a plan to sell the asset.

ii. An active program to locate a buyer and complete the plan has been initiated,

iii. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

J. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of spare parts that meets the definition of 'property, plant and equipment' is recognised as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Freehold mining Land	Amortised on unit of production method based on extraction of limestone from mines
Leasehold Land	Lease term (99 years)
Buildings	30 to 60 years
Plant and machinery	10 to 40 years
Furniture and fixtures	10 years
Office equipment	10 years
Vehicles	8 to 10 years
Helicopter	20 years

Depreciation on fixed assets has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the companies Act, 2013

Depreciation on fixed assets is provided on Straight Line Method except assets located at Mandali, Dhank, Chhatral, Trikampura, Caustic Soda Plant at Bhavnagar, Castor Oil Plant at Nandasan, at Igoor Coffee estate and at Corporate Office.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold/ discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

K. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measure reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

L. Intangibles

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Amortisation methods, estimated useful lives and residual value

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable. The useful lives of intangible assets are assessed as either finite or indefinite. The useful life so determined are as follows:

Assets	Amortisation period
Lease and license rights	60 years
Mining rights	Amortised on unit of production method based on extraction of limestone from mines

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

M. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
2. **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. **Stores and spares:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Items of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognised as a part of inventories.
4. **Fuel:** cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

N. Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind

AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

O. Financial Instruments

1. **Financial assets**

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortised cost

b. Debt instruments at fair value through other comprehensive income (FVTOCI)

c. Financial assets at fair value through profit or loss (FVTPL)

d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

iv. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. Financial instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   a) the company has transferred substantially all the risks and rewards of the asset, or

   b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

viii. Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

a. Financial assets measured at amortised cost;

b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The company follows 'simplified approach' for recognition of impairment loss allowance on:

a. Trade receivables or contract revenue receivables; and

b. All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

ix. Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at fair value through profit or loss

b. Loans and borrowings

c. Financial guarantee contracts

iii. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

iv. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

v. Financial guarantee contracts

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

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to loans or other payables of associates are provided for no compensation the fair values are accounted for as contributions and recognised as part of the cost of the investment.

vi. Preference shares

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

vii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3. Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

P. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

i. In case of individual asset, at higher of the fair value less cost to sell and value in use; and

ii. In case of cash-generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

R. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

S. Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

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

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The company provides for the 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 expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

T. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

V. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 38 - Current tax

Note 47 - Measurement of defined benefit obligations

Note 50 - Expected credit loss for receivables

Note 49 - Fair valuation of unlisted securities

W. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the company are segregated.

X. Current and non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;

ii. Held primarily for the purpose of trading;

iii. Expected to be realized within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;

ii. It is held primarily for the purpose of trading;

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

Y. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is company’s functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company’s entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Z. Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

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

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions.

ii. Quantitative disclosures of fair value measurement hierarchy.

iii. Investment in unquoted equity shares (discontinued operations).

iv. Financial instruments (including those carried at amortised cost).

AA. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

BB. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of Schedule III, unless otherwise stated.

CC. Standards issued but not effective

i. Issue of Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

ii. Amendment to existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosures of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the company's financial statements.

Note - 2 : PROPERTY, PLANT AND EQUIPMENT

₹ in crore

Particulars	GROSS BLOCK (at carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2017	**Additions during the year**	**Disposal during the year**	**As at 31.03.2018**	As at 01.04.2017	**Charge for the year**	**Disposal during the year**	**As at 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
1. Freehold land	156.30	**0.13**	**Nil**	**156.43**	Nil	**Nil**	**Nil**	**Nil**	**156.43**	156.30
2. Freehold mining Land	1.83	**Nil**	**Nil**	**1.83**	0.16	**0.06**	**Nil**	**0.22**	**1.61**	1.67
3. Leasehold land (permanent)	0.13	**Nil**	**Nil**	**0.13**	Nil	**Nil**	**Nil**	**Nil**	**0.13**	0.13
4. Leasehold land	0.55	**Nil**	**Nil**	**0.55**	0.01	**0.01**	**Nil**	**0.02**	**0.53**	0.54
5. Buildings	355.44	**33.45**	**0.01**	**388.88**	56.76	**20.21**	**Nil**	**76.97**	**311.91**	298.68
6. Plant & equipments	4,163.74	**284.74**	**4.78**	**4,443.70**	453.40	**414.86**	**0.58**	**867.68**	**3,576.02**	3,710.34
7. Furniture and fixtures	10.26	**2.75**	**Nil**	**13.01**	2.69	**1.49**	**Nil**	**4.18**	**8.83**	7.57
8. Vehicles	39.19	**5.65**	**0.41**	**44.43**	11.98	**8.99**	**0.30**	**20.67**	**23.76**	27.21
9. Office equipments	5.12	**1.14**	**Nil**	**6.26**	2.42	**1.19**	**Nil**	**3.61**	**2.65**	2.70
10. Helicopter	14.60	**Nil**	**Nil**	**14.60**	12.79	**1.17**	**Nil**	**13.96**	**0.64**	1.81
Total	4,747.16	**327.86**	**5.20**	**5,069.82**	540.21	**447.98**	**0.88**	**987.31**	**4,082.51**	4,206.95

Particulars	GROSS BLOCK (at carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Disposal during the year	As at 31.03.2017	As at 01.04.2016	Charge for the year	Disposal during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
1. Freehold land	152.56	3.75	0.01	156.30	Nil	Nil	Nil	Nil	156.30	152.56
2. Freehold mining Land	1.83	Nil	Nil	1.83	0.08	0.08	Nil	0.16	1.67	1.75
3. Leasehold land (permanent)	0.13	Nil	Nil	0.13	Nil	Nil	Nil	Nil	0.13	0.13
4. Leasehold land	0.55	Nil	Nil	0.55	Nil	0.01	Nil	0.01	0.54	0.55
5. Buildings	269.01	86.84	0.41	355.44	40.71	16.10	0.05	56.76	298.68	228.30
6. Plant & equipments	2,644.21	1,539.21	19.68	4,163.74	228.94	224.75	0.29	453.40	3,710.34	2,415.27
7. Furniture and fixtures	9.00	1.26	Nil	10.26	1.40	1.29	Nil	2.69	7.57	7.60
8. Vehicles	33.87	5.59	0.27	39.19	5.57	6.54	0.13	11.98	27.21	28.30
9. Office equipments	4.22	0.90	Nil	5.12	1.31	1.11	Nil	2.42	2.70	2.91
10. Helicopter	14.60	Nil	Nil	14.60	9.46	3.33	Nil	12.79	1.81	5.14
Total	3,129.98	1,637.55	20.37	4,747.16	287.47	253.21	0.47	540.21	4,206.95	2,842.51

Note - 3 : CAPITAL WORK-IN-PROGRESS

₹ in crore

Particulars	As at 01.04.2017	**Additions during the year**	**Transfer during the year**	**written off during the year**	**As at 31.03.2018**
Capital work-in-progress	153.70	**638.32**	**251.62**	**6.82**	**533.58**

₹ in crore

Particulars	As at 01.04.2016	Additions during the year	Transfer during the year	written off during the year	As at 31.03.2017
Capital work-in-progress	625.95	1,223.92	1,602.54	93.63	153.70

Notes :

I. Building includes (₹ 1000) (p.y. ₹ 1000) in respect of shares held in co-op housing society.

II. Addition to block of Plant and equipments and others includes interest capitalised during the year ₹ 34.13 crore (p.y. ₹ 80.11 crore).

III. The company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition i.e. April 1, 2015 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

IV. Mining Land of ₹ 1.83 Crore (p.y. ₹ 1.83 crore) acquired on amalgamation is yet to be transferred in the name of the company.

V. Refer note no.40 for information on property plant, and equipment pledge as security by the Company.

VI. Refer note no.41 for disclosure of contractual commitments for the acquisition of property plant, and equipment.

VII. Refer note no.45 for capitalisation of expenses.

VIII. Refer note no. 54 & 55 for assets written off.

NOTE - 4 : INVESTMENT PROPERTY

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2017	Additions during the year	Disposal during the year	As at 31.03.2018	As at 01.04.2017	Charge for the year	Disposal during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Land	10.30	Nil	Nil	10.30	Nil	Nil	Nil	Nil	10.30	10.30
Total	10.30	Nil	Nil	10.30	Nil	Nil	Nil	Nil	10.30	10.30

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Disposal during the year	As at 31.03.2017	As at 01.04.2016	Charge for the year	Disposal during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land	10.30	Nil	Nil	10.30	Nil	Nil	Nil	Nil	10.30	10.30
Total	10.30	Nil	Nil	10.30	Nil	Nil	Nil	Nil	10.30	10.30

Notes :

I. Fair value of investment properties are ₹ 50.34 crore (p.y. ₹ 50.34 crore).

II. The valuation is based on valuation performed and accredited by independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

NOTE - 5 : OTHER INTANGIBLE ASSETS

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED AMORTISATION				NET BLOCK	
	As at 01.04.2017	Addition during the year	Disposal during the year	As at 31.03.2018	As at 01.04.2017	Charge for the year	Disposal during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Mining rights	15.63	0.53	Nil	16.16	0.81	0.51	Nil	1.32	14.84	14.82
Lease and license rights	0.01	Nil	Nil	0.01	(₹ 5,364)	(₹ 2,682)	Nil	(₹ 8,046)	0.01	0.01
Total	15.64	0.53	Nil	16.17	0.81	0.51	Nil	1.32	14.85	14.83

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED AMORTISATION				NET BLOCK	
	As at 01.04.2016	Addition during the year	Disposal during the year	As at 31.03.2017	As at 01.04.2016	Charge for the year	Disposal during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Mining rights	12.60	3.03	Nil	15.63	0.13	0.68	Nil	0.81	14.82	12.47
Lease and license rights	0.01	Nil	Nil	0.01	(₹ 2,682)	(₹ 2,682)	Nil	(₹ 5,364)	0.01	0.01
Total	12.61	3.03	Nil	15.64	0.13	0.68	Nil	0.81	14.83	12.48

Note :

The company has availed the deemed cost exemption in relation to other intangible assets on the date of transition i.e. April 1, 2015 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Note - 6 : NON-CURRENT FINANCIAL ASSETS - INVESTMENTS IN SUBSIDIARIES

₹ in crore

Numbers		Particulars	As at 31.03.2018	As at 31.03.2017
31.03.2018	31.03.2017			
(A) Investment in Equity instruments				
Investment in subsidiary at cost (fully paid up)				
100,010	100,010	Karnavati Holdings Inc face value of US $ 0.1 each (Refer note no.48)	**533.38**	533.38
150,000,000	150,000,000	Nuvoco Vistas Corporation Ltd. face value of ₹ 10 each (Refer notes no.40, 46, 48 and 60)	**3,000.00**	3,000.00
		Total - A	**3,533.38**	3,533.38
(B) Investment in Compulsory convertible debentures at fair value through profit and loss (fully paid up)				
Unsecured, Unquoted compulsory convertible debentures				
100,000	100,000	Nuvoco Vistas Corporation Ltd. face value of ₹ 1,00,000 each (Refer note below, 46, 48 and 60)	**1,027.09**	1,009.64
		Total - B	**1,027.09**	1,009.64
		Total (A+B)	**4,560.47**	4,543.02

Aggregate amount of quoted investments	**Nil**	Nil
Aggregate market value of quoted investments	**Nil**	Nil
Aggregate amount of unquoted investments	**4,560.47**	4,543.02
Aggregate amount of impairment in value of investments	**Nil**	Nil

Note :

I. The Compulsory Convertible Debentures (CCDs) will be converted into equity shares at par on completion of sixty one months from the deemed date of allotment i.e. 09-09-2016 or listing of equity shares of Nuvoco Vistas Corporation Ltd whichever is earlier. This carries interest @ 2% per annum payable at the time of conversion.

Note - 7 : NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in crore

Numbers		Particulars	As at 31.03.2018	As at 31.03.2017
(A) Investment in Quoted Equity instruments				
Investments in equity shares (fully paid up) accounted through other comprehensive income				
31.03.2018	31.03.2017	**Quoted equity instruments**		
7,090	9,985	Reliance Industries Ltd. face value of ₹ 10 each	**0.62**	1.32
353,053	353,053	Gujarat Heavy Chemicals Ltd. face value of ₹ 10 each	**9.12**	9.37
155,600	429,794	Tamilnadu Petro Products Ltd. face value of ₹ 10 each	**0.76**	1.58
225,800	225,800	Torrent Pharmaceuticals Ltd. face value of ₹ 5 each	**28.22**	35.06
		Total - A	**38.72**	47.33
(B) Investment in Un-quoted equity instruments				
Investments in un-quoted equity shares (fully paid up) accounted through other comprehensive income				
57,020	57,020	The Kalupur Comm.Co.op.Bank Ltd. face value of ₹ 25 each	**1.84**	1.88
2,200,000	2,200,000	Gold Plus Glass Industry Ltd. face value of ₹ 10 each	**5.06**	13.97
100,000	100,000	Enviro Infrastructure Company Ltd. face value of ₹ 10 each	**0.61**	0.93
1,000,000	1,000,000	Inlac Granston Ltd. face value of ₹ 10 each	**1.00**	1.00
		Less : Provision for diminution in value	**1.00**	1.00
		Total - B	**7.51**	16.78
(C) Un-quoted government securities at amortised cost				
		National savings certificates lodged with various authorities	**0.07**	0.06
		Kisan vikas patra lodged with various authorities (Refer Note No. 40)	**(₹ 44935)**	(₹ 41,447)
		Total - C	**0.07**	0.06
		Total (A+B+C)	**46.30**	64.17

Aggregate amount of quoted investments	**38.72**	47.33
Aggregate market value of quoted investments	**38.72**	47.33
Aggregate amount of unquoted investments	**8.58**	17.84
Aggregate amount of impairment in value of investments	**1.00**	1.00

Note :

I. Investments at fair value through other comprehensive income reflect investment in quoted and unquoted equity securities. Refer note no. 49 for detailed disclosure on the fair values.

Note - 8 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good		
Inter corporate deposit to subsidiary company (Refer notes no.48,49 & 59)	**333.72**	311.31
Inter corporate deposit	**1.57**	2.19
Total	**335.29**	313.50

Notes:

I. Refer note no. 50 for credit risk, liquidity risk and market risk for non current financial assets-loans.

II. Refer note no. 40 for information on assets pledged as security by the Company.

Note - 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Security deposits	**1.62**	1.73
Bank deposit with original maturity more than 12 months	**1.50**	1.40
Total	**3.12**	3.13

Notes :

I. Earmarked balances with various Statutory Authorities	**1.50**	1.40
II. Refer Note No.50 for credit risk, liquidity risk and market risk for non current financial assets-others. III. Refer note No. 40 for information on assets pledged as security by the Company.		

Note - 10 : OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Capital advances	**25.62**	37.72
Prepaid expenses	**0.03**	0.08
Total	**25.65**	37.80

Note:

Refer note no. 40 for information on assets pledged as security by the Company.

Note - 11: INVENTORIES

₹ in crore

Particulars		As at 31.03.2018	As at 31.03.2017
Raw materials & Packaging materials		304.33	260.31
Raw materials & Packaging materials in transit		15.21	136.02
	Total - A	319.54	396.33
Work-in-progress	**Total - B**	63.17	87.24
Finished goods		181.59	185.93
Finished goods in transit		29.87	40.56
	Total - C	211.46	226.49
Stock-in-trade (Traded Goods)		2.83	12.75
Stock-in-trade (Traded Goods) in transit		1.69	Nil
	Total - D	4.52	12.75
Stores and spares		333.30	283.68
Stores and spares in transit		0.41	2.33
	Total - E	333.71	286.01
Fuels		79.34	57.40
Fuels in transit		105.89	39.43
	Total - F	185.23	96.83
	Total (A to F)	1,117.63	1,105.65

Notes :

I. Refer significant accounting policy Sr. no. 1 (III) (M) for inventory.

II. Write-downs of inventories to net realisable value accounted as at March 31, 2018 ₹ 1.25 crore (p.y ₹ 0.87 crore) were recognised as an expense during the year and included in ‘changes in value of inventories of work-in-progress, stock-in-trade and finished goods’ in the statement of profit and loss.

III. Refer note no. 40 for Inventory pledged as security by the Company.

NIRMA

Note - 12 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured, considered good	**Nil**	Nil
Unsecured, considered good	**554.73**	430.65
Unsecured, considered good from related parties (Refer note no.48)	**13.34**	38.08
Unsecured, considered doubtful	**1.82**	1.80
	569.89	470.53
Less: Provision for doubtful	**1.82**	1.80
Total	**568.07**	468.73

Notes :

I. Refer note no. 50 for credit risk, liquidity risk and market risk for current financial assets.

II. Refer note no. 40 for Trade Receivables pledged as security by the Company.

Note - 13 : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents		
Balance with banks		
- In current accounts	**13.54**	7.75
Cheque, drafts on hand	**Nil**	44.19
Cash on hand	**0.52**	0.68
Total	**14.06**	52.62

Note :

Refer note no. 50 for credit risk, liquidity risk and market risk for current financial assets.

Note - 14 : CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Other bank balances		
(a) In deposit accounts (with original maturity for more than 3 months but less than 12 months)	**20.56**	19.54
(b) Unclaimed dividend account	**Nil**	0.07
(c) Secured premium notes money received and due for refund	**0.14**	0.14
(d) Equity share capital reduction balance	**0.35**	0.35
(e) Preference share capital redemption balance	**0.32**	0.32
Total	**21.37**	20.42

Notes :

I. Earmarked balances with Banks	**0.40**	0.40
II. Earmarked balances with various Statutory Authorities	**20.12**	19.06
III. Earmarked balances with various Tender Authorities	**0.04**	0.08
IV. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.		

Note - 15 : CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured, Considered good		
Inter corporate deposit (Refer Note I below)	**8.04**	17.83
Unsecured, Considered good		
Loans & advances to employees	**2.88**	2.62
Loans & advances to others	**34.90**	46.01
Unsecured, Considered doubtful		
Loans & advances to others	**0.17**	0.17
Less : Provision for doubtful loans and advances	**0.17**	0.17
	Nil	Nil
Unsecured, Considered good		
Inter corporate deposit to others	**19.40**	6.96
Unsecured, Considered doubtful		
Inter corporate deposit to others	**1.71**	1.71
Less : Provision for doubtful inter corporate deposit	**1.71**	1.71
	Nil	Nil
Total	**65.22**	73.42

Notes :

I. Market value of security received for Inter corporate deposits ₹ 8.04 Crore (p.y ₹ 23.97 crore).

II. Refer note no. 50 for credit risk, liquidity risk and market risk for current financial assets.

III. Refer note no. 40 for information on assets pledged as security by the Company.

Note - 16 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Security deposits	**5.28**	5.43
Income receivable	**5.03**	1.32
Other receivable	**2.92**	2.34
Other receivable from related parties (Refer note no. 48)	**1.08**	1.20
Total	**14.31**	10.29

Notes :

I. Refer note no. 50 for credit risk, liquidity risk and market risk for current financial assets.

II. Refer note no. 40 for information on assets pledged as security by the Company.

Note - 17 : OTHER CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Advances to suppliers- related parties (Refer note no. 48)	**0.05**	3.92
Advances to suppliers	**34.08**	97.95
Balance with statutory authorities	**51.58**	93.94
Prepaid expenses	**20.84**	18.45
Total	**106.55**	214.26

Note :

Refer note no. 40 for information on assets pledged as security by the Company.

Note - 18 : EQUITY SHARE CAPITAL

₹ in crore

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number of shares	₹	Number of shares	₹
AUTHORISED				
Equity shares of ₹ 5 each	**1,461,000,000**	**730.50**	1,461,000,000	730.50
6% Redeemable non cumulative non convertible preference shares of ₹ 100 each	**1,000,000**	**10.00**	1,000,000	10.00
6% Redeemable non cumulative non convertible preference shares of ₹ 1 each	**250,000,000**	**25.00**	250,000,000	25.00
5% Redeemable non cumulative non convertible preference shares of ₹ 1 each	**100,000,000**	**10.00**	100,000,000	10.00
		775.50		775.50
ISSUED AND SUBSCRIBED				
Equity shares of ₹ 5 each	**146,075,130**	**73.04**	146,075,130	73.04
FULLY PAID UP				
Equity shares of ₹ 5 each	**146,075,130**	**73.04**	146,075,130	73.04
Total	**146,075,130**	**73.04**	146,075,130	73.04

Note - 18a : EQUITY SHARE CAPITAL

I. The Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the year.

₹ in crore

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number of shares	(₹)	Number of shares	(₹)
Opening Balance	146,075,130	73.04	146,075,130	73.04
Closing Balance	146,075,130	73.04	146,075,130	73.04

II. Rights, preferences and restrictions attached to equity shares

Equity Shares

The Company has one class of equity shares having par value of ₹ 5/- per share. Each member is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the members in the ensuing Annual General meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

III. The Company does not have any holding company.

IV. The details of Shareholders holding more than 5% of Shares

Particulars	As at 31.03.2018		As at 31.03.2017	
	No. of shares held *	% of Total paid up Equity Share Capital	No. of shares held *	% of Total paid up Equity Share Capital
Equity shares				
Dr. Karsanbhai K. Patel	5,67,65,225	38.86	5,67,65,225	38.86
Smt. Shantaben K. Patel	2,76,18,401	18.90	2,76,18,401	18.90
Shri Rakesh K. Patel	3,47,44,124	23.79	3,47,44,224	23.79
Shri Hiren K. Patel	2,69,47,180	18.45	2,69,47,280	18.45

*Includes equity shares held jointly and/or as trustee of trust.

V. Shares allotted as fully paid up without payment being received in cash during the period of five years immediately preceding 31.03.2018 being the date of Balance Sheet.

2,40,58,730 new equity shares of ₹ 5/- each allotted consequent upon sanction of Composite Scheme of Arrangement in the nature of Amalgamation and Demerger during FY 2015-16.

Note - 19 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Capital Reserve		
As per last year	**328.17**	328.17
Equity Security Premium		
As per last year	**29.81**	29.81
Capital Redemption Reserve		
Opening balance	**42.35**	32.35
Add : Transferred from retained earnings	**Nil**	10.00
Closing balance	**42.35**	42.35
Debenture Redemption Reserve		
Opening balance	**112.14**	40.53
Add : Transferred from retained earnings	**259.16**	85.83
Less: Transfer to general reserve	**14.41**	14.22
Closing balance	**356.89**	112.14
General Reserve		
Opening balance	**1,940.04**	1,925.82
Add : Transferred from debenture redemption reserve	**14.41**	14.22
Closing balance	**1,954.45**	1,940.04
Non cash contribution from share holders		
Opening balance	**Nil**	1.17
Less: Transfer to retained earnings	**Nil**	1.17
Closing balance	**Nil**	Nil
Statutory Reserve		
Other Comprehensive Income		
Opening balance	**55.44**	46.44
Less : Remeasurement of defined benefit plans	**11.88**	5.17
Add/(Less) : Equity instruments through other comprehensive Income	**(0.96)**	14.17
Closing balance	**42.60**	55.44
Retained Earnings		
Opening balance	**1,655.74**	1,319.02
Add : Retained earnings during the year	**419.60**	431.38
Add: Transfer from non cash contribution from shareholders	**Nil**	1.17
Less: Transfer to capital redemption reserve	**Nil**	10.00
Less: Transfer to debenture redemption reserve	**259.16**	85.83
Closing balance	**1,816.18**	1,655.74
Total	**4,570.45**	4,163.69

Notes:

Description of nature and purpose of each reserve:

I. **Capital Reserve**

The excess of net assets taken over the cost of consideration paid is treated as capital reserve at time of amalgamation/demerger.

II. Equity Security Premium

The amount received in excess of face value of the equity shares is recognised in equity security premium.

III. Capital Redemption Reserve

It represents reserve created on buy back of equity shares and redemption of preference shares. It is a non distributable reserve.

IV. Debenture Redemption Reserve

The company is required to create a debenture redemption reserve out of the profits for redemption of debentures.

V. General Reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

VI. Non cash contribution from shareholders

It represents difference between face value of preference shares and fair value of preference shares.

VII. Other Comprehensive income

a) The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through Other Comprehensive Income.

b) The remeasurement gain/(loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.

VIII. Retained Earnings

Retained earnings are the profits that the Company has earned till date less any transfer to other reserves, dividends or other distributions to shareholders.

Note - 20 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Debentures		
Non-convertible debentures (Refer note no. I below)	**1,059.59**	2,105.35
Term Loans from Bank		
Term Loans from Bank (Refer note no. II below)	**1,317.16**	1,418.48
Term Loan from Other		
Loan from Gujarat Housing Board (Refer note no. III below)	**(₹ 8,083)**	(₹ 8,083)
Unsecured		
Non-convertible debentures (Refer note no. IV below)	**1,486.60**	Nil
Loan from directors -related parties (Refer notes no. V below & 48)	**10.00**	478.99
Inter corporate deposit from related parties (Refer notes no. VI below & 48)	**Nil**	546.58
Total	**3,873.35**	4,549.40

Notes :

Note - 20 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	**Current**	Non Current	Current
I. (A)	7.90% Secured Listed Rated Redeemable Non Convertible Debentures Series III of face value of ₹ 10 lacs each	**999.61**	**6.71**	999.43	6.71
	(a) It is redeemable at par on 28.02.2020. Effective interest rate is 7.92%.				
	(b) It is secured by first pari-passu charge by way of hypothecation on whole of movable plant and machineries and first ranking pari passu charge by way of mortgage on immovable property including all plants, machineries and buildings fixed to the land, both situated at Mandali Ta. & Dist : Mehsana, Alindra Ta. Savli, Dist. Vadodara and Cement division at Nimbol. Ta : Jaitaran, Dist : Pali, Rajasthan.				
(B)	8.95% Secured Redeemable Non Convertible Non Cumulative Debentures Series E of face value of ₹ 10 lacs each	**59.98**	**4.53**	59.97	4.53
	(a) It is redeemable at par on 28.05.2019. Effective interest rate is 8.98%.				
	(b) It is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company both present and future situated at Alindra, District Vadodara, Gujarat.				
(C)	(a) 7.95% Secured Listed Rated Redeemable Non Convertible Debentures Series II of face value of ₹ 10 lacs each is redeemable at par on 09.09.2018. Effective interest rate is 8.22%.	**Nil**	**516.45**	493.27	21.74
	(b) 7.95% Secured Listed Rated Redeemable Non Convertible debentures Series I of face value of ₹ 10 lacs each is redeemable at par on 07.09.2018. Effective interest rate is 8.31%.	**Nil**	**516.50**	492.70	22.21
	(c) The Secured Listed Rated - NCD Series-I and Series-II as above are secured by first pari-passu charge by way of (i) hypothecation of whole of the movable plant and machinery of the Company's cement division situated at Village Nimbol, Rajasthan and (ii) Mortgage of immovable property including all plants, machineries and buildings fixed to the land (immovable property) situated, lying and being at Mouje: Nimbol, Dungarnagar, Sinla, Jaitaran Taluka : Jaitaran, in the state of Rajasthan.				

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	**Current**	Non Current	Current
(D)	(a) 8.92% Secured Redeemable Non Convertible Non Cumulative Debentures Series D of face value of ₹ 10 lacs each is redeemable at par on 28.05.2018. Effective interest rate is 8.95%.	**Nil**	**64.51**	59.98	4.52
	(b) 8.90% Secured Redeemable Non Convertible Non Cumulative Debentures Series C of face value of ₹ 10 lacs each is redeemable at par on 28.05.2017. Effective interest rate is 8.93%.	**Nil**	**Nil**	Nil	64.50
	(c) The Secured Redeemable Non-Convertible Non-Cumulative Debentures Series C and D are secured by first pari-passu charge on building and specified immovable plant and machineries of the Company both present and future situated at Alindra, District Vadodara, Gujarat.				
II	Term loan is repayable in 10 years starting from 30.09.2016 on quarterly basis. During first & second year 3%, third & fourth year 8% and fifth to tenth year 13% of term loan amount. Effective interest rate is 1 year MCLR+0.20%	**1,317.16**	**101.25**	1,418.48	56.32
	The Term loan from bank are secured by (a) First Pari-passu charge on the whole of the movable plant and machinery of the Company be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns situated at: (i) Mandali (including Ambaliyasan and Baliyasan), District: Mehsana, Gujarat, (ii) Chhatral, District: Gandhinagar, Gujarat, (iii) Moraiya, District: Ahmedabad, Gujarat, (iv) Alindra unit including Bhadarva and Chandranagar assets both situated at Taluka: Savli, District: Vadodara, Gujarat, (v) Dhank, District Rajkot, Gujarat, (vi) Kalatalav, District: Bhavnagar, Gujarat, (vii) Nandasan, Mehsana, Gujarat, (viii) Porbandar, District: Porbandar, Gujarat. All above plants located in the State of Gujarat and; (ix) cement division at Village Nimbol, Taluka: Jaitaran, District: Pali located in the State of Rajasthan. (b) first pari-passu charge on immovable properties including all plants, machineries and buildings fixed to the land (immovable property) of various plants at Mandali incl. Ambaliyasan and Baliyasan, Dhank, Chhatral, Moraiya, Alindra (incl. Bhadarva, Chandranagar and Khokhar), Bhavnagar (incl. Kalatalav, Narmad & Vartej), Porbandar, Nandasan all located in the State of Gujarat and Cement division at Village Nimbol, Taluka Jaitaran in the State of Rajasthan.				
III.	Loan from Gujarat Housing Board is secured by mortgage of related tenaments and will be paid as per existing terms and conditions.	**(₹ 8,083)**	**Nil**	(₹ 8,083)	Nil

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	**Current**	Non Current	Current
IV.	(a) 9.50% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series-IV Tranche 1 redeemable at par on 06-07-2077 with call option can be exercised by the Company at the end of call tenor i.e. 5 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 9.70%.	**893.95**	**63.01**	Nil	Nil
	(b) 9.65% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series-IV Tranche 2 redeemable at par on 06-07-2077 with call option can be exercised by the Company at the end of call tenor i.e. 7 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 9.87%.	**297.04**	**21.34**	Nil	Nil
	(c) 10.15% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series-IV Tranche 3 redeemable at par on 06-07-2077 with call option can be exercised by the Company at the end of call tenor i.e. 10 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 10.40%.	**295.61**	**22.44**	Nil	Nil
V.	Unsecured loan from directors-related parties carry interest @ 8% p.a. (p.y. Interest @ 8% p.a). The Loan is repayable after 1 year.	**10.00**	**Nil**	478.99	Nil
VI.	Unsecured inter corporate deposit from related parties (p.y. Interest @ 8% p.a) The inter corporate deposit is repayable after 1 year.	**Nil**	**Nil**	546.58	Nil
VII.	Refer note no.50 for credit risk, liquidity risk and market risk for non-current financial liabilities.				
VIII.	The carrying amount of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note no.40.				
IX.	The company has complied all covenants for loans.				

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	**As at 31.03.2018**	As at 31.03.2017
Deferred sales tax liability	**0.01**	0.02
(Refer note no. I below)		
Trade Deposits	**147.25**	138.45
Total	**147.26**	138.47

Notes :

I. 0% Deferred sales tax loan is repayable in six yearly equal installments of ₹ 0.01 crore starting from 01.04.2015.

II. Refer note no. 50 for credit risk, liquidity risk and market risk for non-current financial liabilities.

Note - 22 : NON-CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Provisions		
Provision for employee benefits (Refer note no. 47)	**66.55**	65.85
Provision for mines reclamation expenses (Refer note below)	**1.87**	1.67
Total	**68.42**	67.52

Note :

Movement during the year		
Opening Balance	**1.67**	1.05
Add : Provision made during the year	**0.20**	0.62
Less : Utilisation during the year	**Nil**	Nil
Closing Balance	**1.87**	1.67

Note - 23 : DEFERRED TAX LIABILITIES (NET)

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Deferred Tax Liabilities		
Property, plant and equipment and investment property	**686.99**	575.17
Financial assets at fair value through OCI	**Nil**	1.93
Financial assets at fair value through profit or loss	**2.93**	8.61
	689.92	585.71
Deferred Tax Assets		
MAT credit	**409.01**	324.67
Financial assets at fair value through OCI	**1.75**	Nil
Others	**6.55**	22.48
	417.31	347.15
Net deferred tax liabilities	**272.61**	238.56

Movements in deferred tax liabilities

₹ in crore

Particulars	Property, plant and equipment and investment property	MAT	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Other items	Total
At 1st April, 2017	575.17	(324.67)	8.61	1.93	(22.48)	238.56
Charged/(credited)						
To profit or loss	**111.82**	**(84.34)**	**(5.68)**	**Nil**	**12.43**	**34.23**
To other comprehensive income	**Nil**	**Nil**	**Nil**	**(3.68)**	**3.50**	**(0.18)**
At 31st March, 2018	**686.99**	**(409.01)**	**2.93**	**(1.75)**	**(6.55)**	**272.61**

₹ in crore

Particulars	Property, plant and equipment and investment property	MAT	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Other items	Total
At 1st April, 2016	374.39	(166.91)	1.77	0.35	(36.15)	173.45
Charged/(credited)						
To profit or loss	200.78	(157.76)	6.84	Nil	16.41	66.27
To other comprehensive income	Nil	Nil	Nil	1.58	(2.74)	(1.16)
At 31st March, 2017	575.17	(324.67)	8.61	1.93	(22.48)	238.56

Note - 24 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Cash credit facility (Refer note no. I below)	**326.11**	383.16
Working Capital Demand Loan (Refer note no. I below)	**30.00**	Nil
Unsecured		
Commercial Paper (Refer note no. II below)	**Nil**	658.24
Total	**356.11**	1,041.40

Notes :

I. The credit facilities from banks ₹ 356.11 crore (P.Y ₹ 383.16 crore) are secured on (a) First pari-passu charge on stock, stock in process, semi finished and finished goods, book debts, current assets of the Company division at (i) Mandali incl. Ambaliyasan, Baliyasan, dist. Mehsana, (ii) Chhatral, Dist. Gandhinagar, (iii) Trikampura, Dist. Ahmedabad, (iv) Soda ash project, Kalatalav, Bhavnagar, (v) Moraiya Dist. Ahmedabad, (vi) Alindra including Bhadarva, Dist. Baroda, (vii) Saurashtra Chemicals division of Nirma Limited, Birlasagar, Porbandar, salt works and lime stone mines at different site in Gujarat, (viii) depot at various places, (ix) Cement division at village Nimbol, Tal. Jaitaran, Dist. Pali, Rajasthan,(b) Second pari-passu charge on whole of movable plant & machinery situated at (i) Mandali (incl. Ambaliyasan, Baliyasan Dist. Mehsana), (ii) Chhatral, Dist. Gandhinagar, (iii) Moraiya Dist. Ahmedabad, (iv) Alindra including Bhadarva, Dist. Vadodara, (v) Dhank, Dist. Rajkot, (c) Second pari-passu charge on the immovable assets of the Company at, (i) Mandali (incl. Ambaliyasan, Baliyasan Dist. Mehsana), (ii) Chhatral, Dist. Gandhinagar, (iii) Moraiya Dist. Ahmedabad, (iv) Alindra including Bhadarva, Dist. Vadodara, (v) Dhank, Dist. Rajkot. Effective cost is in the range of 8% to 10% p.a. (p.y 8% to 10% p.a).

II. Effective cost of commercial paper is 6.36% p.a.(p.y 6.52% p.a).

III. Refer note no.50 for credit risk, liquidity risk and market risk for current financial liabilities.

IV. The carrying amount of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note no.40.

V. The company has complied all covenants for loans.

Note - 25 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Trade payables	**306.66**	238.43
For Micro, small and medium enterprises (Refer notes no. I below & 56)	**0.05**	0.42
Total	**306.71**	238.85

Notes :

I. Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006

This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

II. Refer note no.50 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 26 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Current maturity of non-convertible debentures (Refer notes no. 20)	**1,108.70**	124.21
Current maturity of term loans from Bank (Refer note no. 20)	**101.25**	56.32
Unsecured		
Current maturity of non-convertible debentures (Refer note no. 20)	**106.79**	Nil
Current maturity of deferred sales tax liability (Refer note no. 21)	**0.01**	0.01
Unpaid dividends	**Nil**	0.07
Unclaimed matured non convertible debentures /secured premium notes and interest thereon	**0.14**	0.14
Liability for equity share capital reduction (Refer note no. I below)	**0.65**	0.65
Equity share capital reduction balance payable	**0.35**	0.35
Preference share capital redemption balance payable	**0.32**	0.32
Creditors for capital expenditure	**47.01**	76.33
Other payables	**77.77**	81.24
Total	**1,442.99**	339.64

Notes :

I. Balance payable on 32,584 equity shares kept in abeyance due to court matter.

II. Refer note no. 50 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 27 : OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Advance received from customers	**25.64**	29.90
Statutory liabilities	**80.47**	88.18
Deferred revenue	**1.20**	2.11
Total	**107.31**	120.19

Note - 28 : CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for employee benefits (Refer note no. 47)	**17.64**	11.77
Provision in respect of litigation (Refer note no. I below)	**1.80**	1.91
Total	**19.44**	13.68

Note:

Movement during the year		
Opening Balance	**1.91**	1.91
Add : Provision made during the year	**Nil**	Nil
Less : Utilisation during the year	**0.11**	Nil
Closing Balance	**1.80**	1.91

Note - 29 : CURRENT TAX LIABILITIES (NET)

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Income tax provision (net)	**281.59**	308.35
Total	**281.59**	308.35

Note - 30 : REVENUE FROM OPERATIONS

₹ in crore

Particulars	2017-2018	2016-2017
Revenue from operations		
Sale of Products (including excise duty) (Refer Note below)		
Finished goods	**5,790.89**	5,353.96
Stock in trade	**23.59**	53.08
Total	**5,814.48**	5,407.04
Sale of Services		
Processing charges	**1.40**	0.68
Other operating revenues		
Duty drawback & other export incentives	**0.42**	0.98
Investment Promotion Assistance	**51.56**	0.22
Scrap sales	**11.64**	8.23
Total	**5,879.50**	5,417.15

Note :

Sale of products for the current period are not comparable with previous period, since sales for the period 1st July 2017 to 31st March 2018 are net of Goods and Service Tax whereas excise duty formed part of expenses in the periods before transition to Goods and Service tax.

Note - 31 : OTHER INCOME

₹ in crore

Particulars	2017-2018	2016-2017
Interest income	**36.69**	46.91
Interest income from financial assets at amortised cost	**53.02**	40.64
Dividend income from equity investments designated at fair value through other comprehensive income	**0.44**	0.55
Net gain on sale of investments	**5.65**	20.44
Profit on Sale of Assets	**0.48**	0.23
Exchange Rate difference (net)	**Nil**	0.20
Claims and Refunds	**3.82**	10.34
Provision no longer required written back	**3.71**	9.25
Others	**4.29**	4.94
Total	**108.10**	133.50

Note - 32 : COST OF MATERIALS CONSUMED

₹ in crore

Particulars	2017-2018	2016-2017
Raw material and Packing material at the beginning of the year	**260.31**	184.24
Add: Purchases (net)	**1,859.76**	1,607.04
Total	**2,120.07**	1,791.28
Less : Raw material and Packing material at the end of the year	**304.33**	260.31
Cost of Raw material Consumed (Including Packaging Materials)	**1,815.74**	1,530.97

Note - 33 :
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in crore

Particulars	2017-2018	2016-2017
Inventories at the beginning of the year:		
Finished goods	**226.49**	228.49
Stock-in-trade	**12.75**	7.84
Work-in-progress	**87.24**	60.70
Total	**326.48**	297.03
Inventories at the end of the year:		
Finished goods	**211.46**	226.49
Stock-in-trade	**4.52**	12.75
Work-in-progress	**63.17**	87.24
Total	**279.15**	326.48
Changes in inventories of finished goods, stock-in-trade and work-in-progress	**47.33**	(29.45)

Note - 34 : EMPLOYEE BENEFITS EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Salaries and wages	**269.43**	247.89
Contributions to provident and other funds (Refer note no.47)	**18.78**	17.80
Gratuity (Refer note no.47)	**8.74**	6.87
Leave compensation (Refer note no.47)	**17.35**	16.40
Staff welfare expense	**10.69**	9.26
Total	**324.99**	298.22

Note - 35 : FINANCE COSTS

₹ in crore

Particulars	2017-2018	2016-2017
Interest and finance charges on financial liabilities not at fair value through profit or loss	**483.21**	374.58
Other interest expense	**0.80**	2.97
Less : Interest cost capitalised	**34.13**	80.11
Total	**449.88**	297.44

Notes :

I. The capitalisation rate used to determine the amount of borrowing cost to be capitalised is 8.35% (p.y 9.45%) the weighted average interest rate applicable to the entity's general borrowing during the year.

II. Refer note no.45 for capitalisation of expenses.

Note - 36 : DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Depreciation of property, plant and equipment (Refer note no.2)	**447.98**	253.21
Amortisation of intangible assets (Refer note no.5)	**0.51**	0.68
Total	**448.49**	253.89

Note - 37 : OTHER EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Consumption of stores and spare parts	**177.67**	182.18
Power and fuel expenses	**1,130.55**	759.69
Excise duty provided on stocks	**(30.33)**	(3.77)
Processing charges	**28.53**	25.57
Rent expenses	**12.68**	11.70
Repairs		
To building	**7.46**	7.51
To machinery	**36.60**	30.32
To others	**5.04**	3.75
	49.10	41.58
Insurance expenses	**9.87**	7.59
Rates and taxes	**16.49**	29.10
Payments to auditors (Refer note no.57)	**0.78**	1.79
Directors' fees	**0.07**	0.07
Discount on sales	**14.60**	18.42
Commission on sales	**20.36**	16.32
Freight and transportation expenses	**487.30**	449.38
Sales tax / GST expenses	**7.36**	14.03
Advertisement expenses	**56.33**	55.62
Exchange fluctuation loss (net)	**0.85**	Nil
Loss on sale of assets	**0.12**	0.01
Donation (Refer note no.II below)	**3.98**	0.51
Sales promotion expenses	**1.78**	2.21
Bad debts written off	**Nil**	52.84
Provision for doubtful debts	**0.02**	Nil
Provision for doubtful loan	**Nil**	1.88
Corporate social responsibility expenses (Refer note no.58)	**7.66**	9.61
Other expenses [Net of Transport Income ₹ 0.50 crore (p.y.₹ 2.82 crore)] (Refer note no.I below)	**136.88**	138.22
Total	**2,132.65**	1,814.55

Notes :

I. Includes prior period adjustments(net) ₹ 0.73 crore (p.y. ₹ (2.68) crore).

II. Donation includes ₹ 2 crore to Bhartiya Janta Party (p.y Nil) & ₹ 1 crore to Gujarat Pradesh Congress (p.y. Nil)

Note - 38 : TAX EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Current tax	**124.00**	135.50
Tax expenses relating to earlier year	**(4.81)**	(1.00)
MAT credit utilised/(entitlement)	**(42.75)**	(111.00)
MAT credit entitlement relating to earlier year	**(41.59)**	(46.76)
Deferred tax	**118.57**	224.04
Total	**153.42**	200.78

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

₹ in crore

Particulars	2017-2018	2016-2017
Enacted income tax rate in India applicable to the Company	**34.608%**	34.608%
Profit before tax	**573.02**	632.16
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**198.31**	218.78
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Permanent disallowances	**4.44**	140.56
Other deductible expenses	**(104.94)**	(340.28)
MAT credit entitlement / (utilization)	**42.75**	111.18
Tax exempted income	**(0.25)**	(0.47)
Deduction claimed under Income tax act	**(59.11)**	(19.47)
Adjustment related to earlier years	**(46.40)**	(1.00)
Deferred tax Expense (net)	**118.57**	66.28
Other Items	**0.05**	25.20
Total tax expenses	**153.42**	200.78
Effective tax rate	**26.77%**	31.76%

Note:

I. In calculation of tax expense for the current year and earlier years, the company had claimed certain deductions as allowable under Income Tax Act, which were disputed by the department and the matter is pending before tax authorities.

Note - 39 : STATEMENT OF OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars	2017-2018	2016-2017
(i) Items that will not be reclassified to profit or loss		
1. Equity Instruments through Other Comprehensive Income		
Gain/(Loss) on fair value of quoted investments	**(6.73)**	11.09
Gain/(Loss) on fair value of unquoted investments	**(9.28)**	3.49
Gain on sale of quoted investments	**0.80**	1.17
2. Remeasurement of defined benefit plans		
Actuarial gains and losses	**2.19**	(7.91)
Total (i)	**(13.02)**	7.84
(ii) Income tax relating to these items that will not be reclassified to profit or loss		
Deferred Tax impact on quoted investments	**1.91**	(1.23)
Deferred Tax impact on unquoted investments	**1.42**	(0.35)
Deferred Tax impact on actuarial gains and losses	**(3.15)**	2.74
Total (ii)	**0.18**	1.16
Total (i + ii)	**(12.84)**	9.00

Notes to the standalone financial statements

Note - 40 : Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

₹ in crore

	Assets description	31.03.2018	31.03.2017
I.	**Current Financial Assets**		
	First charge		
	A. Trade receivables	**565.53**	470.17
	B. Other current financial assets	**9.89**	6.21
	C. Bank deposits (lien with statutory authorities)	**20.56**	19.54
II.	**Current Assets**		
	First charge		
	A. Inventories	**1,107.28**	1,074.72
	B. Other current assets	**106.51**	213.49
	Total current assets pledged as security	**1,809.77**	1,784.13
III.	**Non-Current Financial Assets**		
	A. Shares of Nuvoco Vistas Corporation Ltd. (Refer note I below and 60)	**3,000.00**	3,000.00
	B. National savings certificate	**0.07**	0.06
	C. Bank deposits (lien with statutory authorities)	**1.50**	1.40
	D. Capital advances	**25.62**	37.72
	E. Prepaid expenses	**Nil**	0.01
IV.	**Property, Plant and Equipment**		
	First and / or Second charge		
	A. Plant and equipments	**3,575.96**	3,693.74
	B. Freehold land	**131.32**	131.19
	C. Buildings	**310.21**	293.12
V.	**Capital work in progress**	**529.87**	151.24
	Total non-current assets pledged as security	**7,574.55**	7,308.48
	Total Assets Pledged as Security	**9,384.32**	9,092.61

Note:

I. Shares are pledged for borrowings by Nuvoco Vistas Corporation Ltd.

Notes to the standalone financial statements

Note - 41 : Contingent liabilities not provided for in accounts :

₹ in crore

	Particulars	As at 31.03.2018	As at 31.03.2017
A.	Claims against the company not acknowledged as debts		
1	For custom duty	**22.67**	20.75
2	For direct tax*	**2,350.00**	2,303.48
3	For sales tax	**89.53**	84.18
4	For excise duty and service tax [Appeals decided in favour of the company ₹ 4.20 crore] (p.y. ₹ 1.11 crore)	**19.30**	7.57
5	Others	**69.99**	70.85
	Total	**2,551.49**	2,486.83
	*Income tax department has raised demands by making various additions / disallowances. The company is contesting demand, in appeals, at various levels. However, based on legal advice, the company does not expect any liability in this regard.		
B.	Estimated amount of contracts, remaining to be executed, on capital account (net of payment)	**308.75**	172.29
C.	For letters of credit	**56.45**	99.01
D.	For bank guarantee	**78.77**	89.80
E.	Corporate guarantee given by the company (Refer note 1 below).	**Nil**	170.00
F.	Corporate guarantee of ₹ 95 crore (p.y. ₹ 95 crore) given by the company. Liability to the extent of outstanding balance.	**66.84**	78.63
G.	Undertaking given to Hon'ble High court of Gujarat for dues payable to HDFC Bank regarding its claim against healthcare division, now demerged from the company and transferred to Aculife Healthcare Pvt. Ltd.	**Not ascertainable**	Not ascertainable
H.	Claims against the company not acknowledged as debt-relating to land of Cement Plant	**Not ascertainable**	Not ascertainable

Notes:

1 The company has provided corporate guarantee of Nil (p.y. ₹ 170 crore) to IDBI Trusteeship Services Ltd. for securing credit facilities sanctioned to Nirchem Cement Ltd. (merged with Nuvoco Vistas Corporation Ltd. formerly known as "Lafarge India Ltd." w.e.f 4.10.2016).

2 The company has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The company does not expect any reimbursement in respect of the above contingent liabilities.

Note - 42 :

Equity shares of ₹ 3,000 crore of Nuvoco Vistas Corporation Ltd, held by the company, are pledged in favour of IDBI Trusteeship Services Pvt Ltd to secure debt of ₹ 4,000 crore of Nuvoco Vistas Corporation Ltd.

Notes to the standalone financial statements

Note - 43 : Operating lease

The break-up of total minimum lease payments for operating lease due as on 31.03.2018, entered into by the company are as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Not later than one year	**0.87**	0.38
Later than one year and not later than five years	**2.82**	0.69
Later than five years	**1.28**	Nil
Lease payment recognised in Statement of Profit and Loss	**5.62**	4.34

Note - 44 :

The company has presented segment information in its Consolidated Financial Statements which are part of the same annual report. Accordingly, in terms of provisions of Indian Accounting Standard on Segment Reporting (Ind AS-108), no disclosure related to the segment is presented in the Standalone Financial Statements.

Note 45 : The following expenditures have been capitalised as part of fixed assets

₹ in crore

Particulars	2017-2018	2016-2017
Employee cost	**1.44**	1.09
Power and fuel expenses	**0.98**	1.41
Finance Cost	**34.13**	80.11
Others	**0.77**	0.65
Total	**37.32**	83.26

Note - 46 : Disclosure as required under section 186(4) of the Companies Act, 2013

₹ in crore

I.

Particulars	31.03.2018	Rate of interest	31.03.2017
Loans given for short term business requirement			
Jay Poly Fab	**Nil**	**8%**	1.00
Bhoomi Print Pack	**Nil**	**8%**	1.00
H K Patel Discretionary Family Trust	**Nil**	**8%**	25.00
Nirav Lamination	**Nil**	**8%**	1.00
Times Square Commercial LLP	**Nil**	**12%**	4.00
Avichal Infracon	**Nil**	**8%**	1.50
Loan given for principal business activities			
Nuvoco Vistas Corporation Ltd.	**Nil**	**8%**	300.28
Investments made			
Nuvoco Vistas Corporation Ltd.	**Nil**		4,000.00

II. The company has provided corporate guarantee of ₹ Nil to IDBI Trusteeship Services Ltd. (p.y. ₹ 170 crore) for securing credit facilities sanctioned to Nirchem Cement Ltd. (merged with Nuvoco Vistas Corporation Ltd. formerly known as “Lafarge India Ltd.” w.e.f 4.10.2016).

III. Pledge of equity shares of Nirchem Cement Ltd., wholly owned subsidiary (“Nirchem”) owned by the company was created in favour of IDBI Trusteeship Services Ltd., the Debenture Trustee to secure the debt of ₹ 4,000 crore by Nirchem. On amalgamation of Nirchem with Nuvoco Vistas Corporation Ltd. (formerly known as “Lafarge India Ltd.”) w.e.f. April 19, 2017, the said equity shares were cancelled and fresh pledge of equity shares of Nuvoco Vistas Corporation Ltd. was created.

Notes to the standalone financial statements

Note 47 : Gratuity and other post employment benefit plans

The Company operates post employment and other long term employee benefits defined plans as follows:

I. Defined Contribution plan

Contribution to Defined Contribution Plan, recognised as expenses for the year are as under:

₹ in crore

Particulars	2017-2018	2016-2017
Employer's Contribution to Provident Fund	16.55	16.00
Employer's Contribution to Superannuation Fund	Nil	Nil

II. Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service to build up the final obligation. The obligation for leave encashment is recognised in the same manner as for gratuity.

₹ in crore

Description	31.03.2018		31.03.2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
A. Reconciliation of opening and closing balances of Defined Benefit obligation				
a. Obligation as at the beginning of the year	59.20	31.72	47.95	17.35
b. Current Service Cost	5.62	9.94	4.39	3.13
c. Interest Cost	4.06	2.26	3.52	1.24
d. Actuarial (Gain)/Loss	(1.63)	5.15	7.75	11.86
e. Benefits Paid	(4.46)	(14.23)	(4.41)	(1.86)
f. Obligation as at the end of the year	62.79	34.84	59.20	31.72
B. Reconciliation of opening and closing balances of fair value of plan assets				
a. Fair Value of Plan Assets as at the beginning of the year	13.30	Nil	13.90	Nil
b. Expected return on Plan Assets	0.94	Nil	1.04	Nil
c. Actuarial Gain/(Loss)	0.56	Nil	(0.16)	Nil
d. Employer's Contributions	1.62	Nil	2.24	Nil
e. Benefits Paid	(2.98)	Nil	(3.72)	Nil
f. Fair Value of Plan Assets as at the end of the year	13.44	Nil	13.30	Nil
C. Reconciliation of fair value of assets and obligation				
a. Fair Value of Plan Assets as at the end of the year	13.44	Nil	13.30	Nil
b. Present Value of Obligation as at the end of the year	(62.79)	(34.84)	(59.20)	(31.72)
c. Amount recognised in the Balance Sheet	(49.35)	(34.84)	(45.90)	(31.72)
D. Investment Details of Plan Assets				
Bank balance	Nil	Nil	2%	Nil
Invested with Life Insurance Corporation of India	100%	Nil	98%	Nil
E. Actuarial Assumptions				
a. Discount Rate (per annum)	7.50%	7.50%	7.25%	7.25%
b. Estimated Rate of return on Plan Assets (per annum)	7.50%	Nil	7.25%	Nil
c. Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%

F. Expenses recognised during the year

₹ in crore

Description	2017-2018		2016-2017	
	Gratuity	**Leave Encashment**	Gratuity	Leave Encashment
Expenses recognised during the year				
(i) Current Service Cost	**5.62**	**9.94**	4.39	3.13
(ii) Interest Cost	**4.06**	**2.26**	3.52	1.24
(iii) Expected return on Plan Assets	**(0.94)**	**Nil**	(1.04)	Nil
(iv) Actuarial (Gain)/Loss	**(2.19)**	**5.15**	7.91	11.86
(v) Expense recognised during the year	**6.55**	**17.35**	14.78	16.23

Notes:

(i) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(ii) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for management of plan assets.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

₹ in crore

Particulars	**31.03.2018**			
	Increase		**Decrease**	
	Gratuity	**Leave Encashment**	**Gratuity**	**Leave Encashment**
Discount rate (0.5% movement)	**(3.51)**	**(3.29)**	**(3.64)**	**(2.92)**
Salary growth rate (0.5% movement)	**(3.65)**	**(2.92)**	**(3.50)**	**(3.29)**

₹ in crore

Particulars	31.03.2017			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	2.67	1.52	(2.90)	(1.67)
Salary growth rate (0.5% movement)	(2.91)	(1.68)	2.71	1.54

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Note - 48 : Related party disclosures as per Ind AS 24

The names of related parties with relationship and transactions with them:

I. Relationship:

A. Promoters having Control over the Company

Shri Karsanbhai K. Patel, Smt. Shantaben K. Patel, Shri Rakesh K. Patel and Shri Hiren K. Patel are directly and indirectly having control / joint control over the company.

Notes to the standalone financial statements

B. Subsidiaries of the Company: (wholly owned)

Sr. No.	Name of the entity	Country	Nature of holding	Ownership interest held
1	Karnavati Holdings Inc.	USA	Direct	100%
2	Nirchem Cement Ltd. (amalgamated with, Nuvoco Vistas Corporation Ltd. earlier known as "Lafarge India Ltd.", w.e.f. 19.04.2017 with appointed dated 04.10.2016)	India	Direct	100%
3	Nuvoco Vistas Corporation Ltd. (earlier known as "Lafarge India Ltd.')	India	Direct	100%
4	Rima Eastern Cement Ltd. (formerly known as "Lafarge Eastern India Ltd.") (Wholly owned by Nuvoco Vistas Corporation Ltd.) (Under process of striking off)	India	Indirect	100%
5	Searles Valley Minerals Inc. (SVM), USA (Wholly Owned subsidiary of Karnavati Holding Inc. USA)	USA	Indirect	100%
6	Searles Domestic Water Company LLC, USA (Wholly Owned by SVM)	USA	Indirect	100%
7	Trona Railway Company LLC, USA (Wholly Owned by SVM)	USA	Indirect	100%
8	Searles Valley Minerals Europe, France (Wholly Owned by SVM)	France	Indirect	100%

C. Joint Venture

Name of the entity	Country	Nature of holding	Ownership interest held
Wardha Valley Coal Field Pvt. Ltd. (Joint venture of Nuvoco Vistas Corporation Ltd.)	India	Indirect	19.14%

D. Associate

Name of the entity	Country	Nature of holding	Ownership interest held
FRM Trona fuels LLC	USA	Indirect	49%
Trona Exports Terminals LLC*	USA	Indirect	
The above two entities are associate of SVM			

*Carrying value of investment is Nil.

E. Entities over which Promoters exercise control

Sr. No.	Name of the entity
1	Nirma Credit and Capital Pvt. Ltd.
2	Nirma Chemical Works Pvt. Ltd.
3	Navin Overseas FZC, UAE
4	Aculife Healthcare Pvt. Ltd.

F. Entities over which Promoter has Significant Influence

Sr. No.	Name of the entity
1	Shree Rama Multi-tech Ltd.
2	Nirma Education and Research Foundation
3	Manjar Discretionary Trust
4	Nirma University
5	S K Patel Family Trust

Notes to the standalone financial statements

G. Key Management Personnel:

Particulars	Designation
Executive Directors	
Shri Hiren K. Patel	Managing Director
Shri Shailesh V. Sonara	Director (Environment and Safety)
Non Executive Directors	
Dr. Karsanbhai K. Patel	Chairman
Shri Rakesh K. Patel	Vice Chairman
Shri Pankaj R. Patel	Director
Shri Chinubhai R. Shah	Director
Shri Kaushik N. Patel	Director
Shri Rajendra D. Shah (upto 17.01.2017)	Director
Shri Vijay R. Shah	Director
Smt. Purvi A. Pokhariyal	Director
Other Key Management Personnel	
Shri Satish Shah (w.e.f. 10.11.2017)	Chief Financial Officer
Shri Rajendra J. Joshipara (upto 09.11.2017)	Chief Financial Officer
Shri Paresh Sheth	Company Secretary

H. Relatives of Key Management Personnel with whom transactions done during the said financial year:

Dr. Karsanbhai K. Patel

Shri Rakesh K. Patel

I. Relatives / Entities over which Director have significant influence with whom transactions done during the said financial year:

Smt. Toralben K. Patel

Kamlaben Trust

Sarvamangal Trust

Vimlaben Trust

J. Key Management Personnel compensation:

₹ in crore

Particulars	31.03.2018	31.03.2017
Short-term employee benefits	**3.75**	4.23
Long-term post employment benefits	**0.12**	0.28
Total compensation	**3.87**	4.51

Notes to the standalone financial statements

II. The following transactions were carried out with the related parties referred in above in the ordinary course of business (excluding reimbursement):

₹ in crore

A.	Subsidiary Companies:	31.03.2018	31.03.2017
1	Purchase of finished goods / Materials	**0.61**	7.67
	Searles Valley Minerals Inc. USA	**0.61**	7.67
2	Sale of finished goods	**63.82**	14.76
	Nuvoco Vistas Corporation Ltd.	**63.82**	14.76
3	Sale of materials	**1.61**	0.09
	Nuvoco Vistas Corporation Ltd.	**1.61**	0.09
4	Interest income	**24.90**	12.80
	Nuvoco Vistas Corporation Ltd.	**24.90**	12.80
5	Rent Income	**0.01**	Nil
	Nuvoco Vistas Corporation Ltd.	**0.01**	Nil
6	ICD given	**Nil**	300.28
	Nuvoco Vistas Corporation Ltd.	**Nil**	300.28
7	ICD repaid	**Nil**	0.50
	Nuvoco Vistas Corporation Ltd.	**Nil**	0.50
8	Investment in equity shares	**Nil**	3,000.00
	Nuvoco Vistas Corporation Ltd.	**Nil**	3,000.00
9	Investment in Compulsory Convertible Debentures	**Nil**	1,000.00
	Nuvoco Vistas Corporation Ltd.	**Nil**	1,000.00
10	Interest income on Compulsory Convertible Debentures	**19.45**	10.76
	Nuvoco Vistas Corporation Ltd.	**19.45**	10.76
11	Guarantee Given	**Nil**	170.00
	Nuvoco Vistas Corporation Ltd.	**Nil**	170.00
12	Pledge of equity shares during the year	**Nil**	3,000.00
	Nuvoco Vistas Corporation Ltd*	**Nil**	3,000.00
13	Closing balance - Debit	**346.99**	327.51
14	Closing balance - Guarantee	**Nil**	170.00

* Pledge of equity shares of Nuvoco Vistas Corporation Ltd., wholly owned subsidiary ("Nuvoco") owned by the company was created in favour of IDBI Trusteeship Services Ltd., the Debenture Trustee to secure the debt of ₹ 4000 crore by Nuvoco. On amalgamation of Nirchem with Nuvoco Vistas Corporation Ltd. (formerly known as "Lafarge India Ltd."), the said equity shares were cancelled and fresh pledge of equity shares of Nuvoco Vistas Corporation Ltd. was created.

₹ in crore

B.	Entities over which Promoters exercise control	31.03.2018	31.03.2017
1	Sale of finished goods / services	**0.67**	71.87
	Navin Overseas FZC, UAE	**0.13**	0.17
	Aculife Healthcare Pvt. Ltd.	**0.41**	0.87
	Nirma Chemical Works Pvt. Ltd	**0.13**	70.83
2	Purchase of materials	**138.93**	113.37
	Navin Overseas FZC, UAE	**138.73**	113.14
3	Redemption of preference shares	**Nil**	10.00
	Nirma Chemical Works Pvt. Ltd.	**Nil**	10.00
4	Repayment of non convertible debentures	**Nil**	45.00
	Nirma Chemical Works Pvt. Ltd.	**Nil**	45.00
5	Interest expenses	**11.56**	60.61
	Nirma Credit and Capital Pvt. Ltd.	**7.43**	16.55
	Nirma Chemical Works Pvt. Ltd.	**4.13**	44.06
6	ICD - taken	**20.00**	1,028.93
	Nirma Credit and Capital Pvt. Ltd.	**Nil**	378.77
	Nirma Chemical Works Pvt. Ltd.	**20.00**	650.16
7	ICD - repaid	**566.58**	926.12
	Nirma Chemical Works Pvt. Ltd.	**216.00**	864.59
	Nirma Credit and Capital Pvt. Ltd.	**350.58**	61.53
8	Royalty income	**0.14**	0.72
	Aculife Healthcare Pvt. Ltd.	**0.14**	0.72
9	Rent paid	**0.23**	Nil
	Nirma Credit and Capital Pvt. Ltd.	**0.23**	Nil
10	Net closing balance - debit	**0.79**	4.34
11	Net closing balance - credit	**9.91**	525.78

Notes to the standalone financial statements

₹ in crore

C.	Entities over which Promoter has Significant Influence	31.03.2018	31.03.2017
1	Sale of finished goods	**1.32**	3.82
	Nirma University	**1.22**	3.78
2	Sale of materials	**0.19**	0.24
	Shree Rama Multitech Ltd	**0.19**	0.24
3	Sale of services	**0.09**	0.85
	Nirma Education and Research Foundation	**0.09**	0.85
4	Purchase of materials/services	**0.03**	0.16
	Shree Rama Multitech Ltd	**0.03**	0.16
5	Expenditure on Corporate Social Responsibility Activities	**Nil**	1.93
	Nirma Education and Research Foundation	**Nil**	1.93
6	Guarantee commission income	**Nil**	0.13
	Shree Rama Multi-tech Ltd	**Nil**	0.13
7	Rent expense	**0.32**	0.27
	S K Patel Family Trust	**0.05**	Nil
	Manjar Discretionary Trust	**0.27**	0.27
8	Net closing balance - debit	**0.41**	1.86
9	Closing balance - Guarantee	**80.00**	80.00

₹ in crore

D.	Key Management Personnel	31.03.2018	31.03.2017
1	Remuneration	**3.42**	3.82
	Shri Hiren K. Patel	**2.29**	2.78
	Shri Rajendra J. Joshipara (upto 09.11.2017)	**0.36**	0.57
	Shri Paresh Sheth	**0.38**	0.31
2	Loan - taken	**18.26**	261.68
	Shri Hiren K. Patel	**18.26**	261.68
3	Loan - repaid	**236.50**	150.81
	Shri Hiren K. Patel	**236.50**	150.81
4	Interest expenses	**4.90**	4.31
	Shri Hiren K. Patel	**4.90**	4.31
5	Perquisites	**0.45**	0.69
	Shri Hiren K. Patel	**0.45**	0.69
6	Net closing balance - credit	**5.00**	223.24

₹ in crore

E.	Relatives of Key Management Personnel	31.03.2018	31.03.2017
1	Directors' fees	**0.02**	0.02
	Dr. Karsanbhai K. Patel	**0.01**	0.01
	Shri Rakesh K. Patel	**0.01**	0.01
2	Directors' Remuneration	**0.01**	0.02
	Dr. Karsanbhai K. Patel	**(₹ 16,105)**	0.01
	Shri Rakesh K. Patel	**(₹ 34,141)**	0.01
3	Interest expenses	**5.49**	4.39
	Shri Rakesh K. Patel	**5.49**	4.39
4	Loan - taken	**32.60**	258.10
	Shri Rakesh K. Patel	**32.60**	258.10
5	Loan - repaid	**283.35**	145.87
	Shri Rakesh K. Patel	**283.35**	145.87
6	Closing balance - credit	**5.00**	255.75

₹ in crore

F.	Relatives / Entities over which Director have significant influence	31.03.2018	31.03.2017
1	Rent expense	**0.24**	0.12
	Smt. Toralben K. Patel	**0.06**	0.05
	Kamlaben Trust	**0.03**	0.02
	Sarvamangal Trust	**0.06**	0.05
	Vimlaben Trust	**0.09**	Nil

₹ in crore

G.	Non-Executive Directors	31.03.2018	31.03.2017
1	Sitting Fees	**0.04**	0.06
	Shri Pankaj R. Patel	**(₹ 50,000)**	0.01
	Shri Rajendra D. Shah	**Nil**	(₹ 50,000)
	Shri Chinubhai R. shah	**0.01**	0.01
	Shri Kaushik N. Patel	**(₹ 50,000)**	0.01
	Shri Vijay R. Shah	**0.01**	0.01
	Smt. Purvi A. Pokhariyal	**0.01**	0.01

III. Terms and conditions

A. The loans from key management personnel are long term in nature and interest is payable at rate of 8% per annum. Goods were sold to associates during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions at market rates. All outstanding balances are unsecured and are repayable in cash.

B. Disclosure is made in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

Notes to the standalone financial statements

Note - 49

Financial instruments – Fair values and risk management

I. Accounting classification and fair values

₹ in crore

31.03.2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments		38.72		38.72	38.72			38.72
Unquoted equity instruments		7.51		7.51			7.51	7.51
Investment in Compulsorily Convertible Debentures of the Subsidiary	1,027.09			1,027.09			1,027.09	1,027.09
Financial assets measured at amortised cost								
Unquoted government securities			0.07	0.07				
Loans (non-current)			335.29	335.29				
Loans (current)			65.22	65.22				
Other non current financial assets			3.12	3.12				
Other current financial assets			14.31	14.31				
Trade receivables			568.07	568.07				
Cash and cash equivalents			14.06	14.06				
Other bank balances			21.37	21.37				
Total Financial Assets	1,027.09	46.23	1,021.51	2,094.83	38.72		1,034.60	1,073.32
Financial liabilities measured at amortised cost								
Non current borrowings			3,873.35	3,873.35				
Current borrowings			356.11	356.11				
Non current financial liabilities - Others			147.26	147.26				
Trade payables			306.71	306.71				
Other financial liabilities			1,442.99	1,442.99				
Total Financial Liabilities			6,126.42	6,126.42				

Notes to the standalone financial statements

Note - 49

Financial instruments – Fair values and risk management

₹ in crore

31.03.2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments		47.33		47.33	47.33			47.33
Unquoted equity instruments		16.78		16.78			16.78	16.78
Investment in Compulsorily Convertible Debentures of the Subsidiary	1,009.64			1,009.64			1,009.64	1,009.64
Financial assets measured at amortised cost								
Unquoted government securities			0.06	0.06				
Loans (non-current)			313.50	313.50				
Loans (current)			73.42	73.42				
Other non current financial assets			3.13	3.13				
Other current financial assets			10.29	10.29				
Trade receivables			468.73	468.73				
Cash and cash equivalents			52.62	52.62				
Other bank balances			20.42	20.42				
Total Financial Assets	1,009.64	64.11	942.17	2,015.92	47.33		1,026.42	1,073.75
Financial liabilities measured at amortised cost								
Non current borrowings			4,549.40	4,549.40				
Current borrowings			1,041.40	1,041.40				
Non current financial liabilities - Others			138.47	138.47				
Trade payables			238.85	238.85				
Other financial liabilities			339.64	339.64				
Total Financial Liabilities			6,307.76	6,307.76				

Notes to the standalone financial statements

II. Fair value of financial assets and liabilities measure at amortised cost

₹ in crore

Particulars	31.03.2018		31.03.2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments				
Loans (non-current)	**335.29**	**335.29**	313.50	313.50
Unquoted government securities	**0.07**	**0.07**	0.06	0.06
Other non current financial assets	**3.12**	**3.12**	3.13	3.13
Total financial assets	**338.48**	**338.48**	316.69	316.69
Financial liabilities				
Non current borrowings	**3,873.35**	**3,873.35**	4,549.40	4,549.40
Non current financial liabilities- Others	**147.26**	**147.26**	138.47	138.47
Total financial liabilities	**4,020.61**	**4,020.61**	4,687.87	4,687.87

Notes:

The following methods and assumptions were used to estimate the fair values:

i) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balance, other current financial liability, loans and other current assets are considered to be the same as their fair values, due to their short-term nature.

ii) The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

iii) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of significant observable inputs, including own credit risk.

III. Measurement of fair values

A. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVTOCI in unquoted equity shares	**Market comparison technique:** The valuation model is based on two approaches : **1. Asset approach** - seek to determine the business value based on the value of it's assets. The aim is to determine the business value based on the fair market value of its assets less its liabilities. The asset approach is based on the economic principle of substitution which adopts the approach of cost to create another business similar to one under consideration that will produce the same economic benefits for its owners.	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity.
	2. Market approach - relies on signs from the real market place to determine what a business is worth. The market approach based valuation methods establish the business value in comparison to similar businesses. The methods rely on the pricing multiples which determine a relationship between the business economic performance, such as its revenues or profits, and its potential selling price. The valuation has been made considering the following weightage to the above approaches: Asset approach : 70% Market approach : 30%		

Notes to the standalone financial statements

B. Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

C. Level 3 fair values

1. Movements in the values of unquoted equity instruments and Compulsorily Convertible Debentures for the period ended 31 March, 2018 is as below:

₹ in crore

Particulars	Equity Instruments	Compulsorily Convertible Debentures
As at 01.04.2016	**13.30**	**Nil**
Acquisitions/ (disposals)	Nil	1,000.00
Gains/ (losses) recognised in other comprehensive income	3.48	Nil
Gains/ (losses) recognised in statement of profit or loss	Nil	10.76
Adjustment for TDS	Nil	(1.12)
As at 01.04.2017	**16.78**	**1,009.64**
Acquisitions/ (disposals)	Nil	Nil
Gains/ (losses) recognised in other comprehensive income	(9.28)	Nil
Gains/ (losses) recognised in statement of profit or loss	Nil	19.45
Adjustment for TDS	Nil	(2.00)
As at 31.03.2018	**7.50**	**1,027.09**

2. Sensitivity analysis

For the fair values of unquoted investments, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects.

Significant observable inputs	**31.03.2018**		31.03.2017	
	Other Comprehensive Income		Other Comprehensive Income	
	Increase	**Decrease**	Increase	Decrease
Unquoted equity instruments measured through OCI 5% movement	**0.38**	**0.38**	0.84	0.84

Note - 50 : Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

I. Risk management framework

The company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the standalone financial statements

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

II. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure.

A. Trade receivables

Trade receivables of the company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the cement business. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which company grants credit terms in the normal course of business. The company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. The company has no concentration of credit risk as the customer base is geographically distributed in India.

At March 31, 2018, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

₹ in crore

Particulars	Carrying amount	
	31.03.2018	31.03.2017
Domestic	**556.33**	463.07
Other regions	**11.74**	5.66
Total	**568.07**	468.73

A.1. Impairment

At March 31, 2018, the ageing of trade and other receivables that were not impaired was as follows:

₹ in crore

Particulars	Carrying amount					
	31.03.2018			31.03.2017		
	Gross	**Provision**	**Net**	Gross	Provision	Net
Upto 30 days	**377.10**	**Nil**	**377.10**	298.67	Nil	298.67
Between 31–90 days	**170.43**	**Nil**	**170.43**	145.12	Nil	145.12
More than 90 days	**22.36**	**1.82**	**20.54**	26.74	1.80	24.94
	569.89	**1.82**	**568.07**	470.53	1.80	468.73
% of expected credit losses (More than 90 days)		**0.32%**			0.38%	

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for trade receivables as at 31.03.2018 and 31.03.2017.

Notes to the standalone financial statements

A.2. Movement in provision of doubtful debts

₹ in crore

Particulars	31.03.2018	31.03.2017
Opening provision	**1.80**	1.71
Additional provision made	**0.02**	0.09
Provision write off	**Nil**	Nil
Provision reversed	**Nil**	Nil
Closing provisions	**1.82**	1.80

III. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

A. The Company maintains the following lines of credit:

(1) Cash credit facility of ₹ 356.11 crore (p.y. ₹ 383.16 crore) that is secured through book debts and stock. Interest is payable at the rate varying from 8% - 10% p.a. (p.y. 9% - 12% p.a)

(2) Unsecured commercial papers of ₹ Nil (p.y. ₹ 658.24 crore) are issued for a period ranging from 15 to 90 days. Interest is payable at the rate ranging from 6% to 8% p.a. (p.y. 6% - 9% p.a.)

B. The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

	As at	
Particulars	**31.03.2018**	31.03.2017
Fund Base		
Expiring within one year (bank overdraft and other facilities)	**1,143.89**	816.84
Non Fund Base		
Expiring within one year (bank overdraft and other facilities)	**264.78**	211.19

C. Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

₹ in crore

31.03.2018	Carrying amount	Contractual Cash Flows				
		Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings	**3,873.35**	**229.27**	**1,511.54**	**2,104.46**	**1,508.58**	**5,353.85**
Non current financial liabilities	**147.26**	**Nil**	**0.01**	**Nil**	**147.25**	**147.26**
Current financial liabilities	**356.11**	**356.11**	**Nil**	**Nil**	**Nil**	**356.11**
Trade and other payables	**306.71**	**306.71**	**Nil**	**Nil**	**Nil**	**306.71**
Other current financial liabilities	**1,442.99**	**1,591.63**	**Nil**	**Nil**	**Nil**	**1,591.63**

Notes to the standalone financial statements

₹ in crore

31.03.2017	Carrying amount	Contractual Cash Flows				
		Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings	4,549.40	168.43	2,405.81	1,898.17	977.94	5,450.35
Non current financial liabilities	138.47	Nil	0.02	Nil	138.45	138.47
Current financial liabilities	1,041.40	1,041.40	Nil	Nil	Nil	1,041.40
Trade and other payables	238.85	238.85	Nil	Nil	Nil	238.85
Other current financial liabilities	339.64	458.60	Nil	Nil	Nil	458.60

IV. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

A. Currency risk

The functional currency of the company is Indian Rupee. The company is exposed to currency risk on account of payables and receivables in foreign currency. Since the average exports account only for 2.43% of total sales this is not perceived to be a major risk. The average imports account for 39.73% of total purchases. The company has formulated policy to meet the currency risk.

Company does not use derivative financial instruments for trading or speculative purposes.

A.1. Foreign Currency Exposure

(₹ / FC in crore)

Particulars	Currency	31.03.2018	31.03.2017
a) Against export	**USD**	**0.18**	0.09
	INR	**11.74**	5.66
b) Against import (including capital import)	**USD**	**0.16**	0.02
	INR	**10.43**	1.49
	EURO	**0.04**	Nil
	INR	**3.07**	Nil
	YEN	**0.18**	Nil
	INR	**0.11**	Nil
c) Against reimbursement of expense	**USD**	**($5,585)**	($5,764)
	INR	**0.04**	0.03
Net statement of financial exposure	**USD**	**0.02**	0.07
	INR	**1.35**	4.20
	EURO	**(0.04)**	Nil
	INR	**(3.07)**	Nil
	YEN	**(0.18)**	Nil
	INR	**(0.11)**	Nil

A.2. Sensitivity

Profit or loss is sensitive to higher / lower changes in fluctuation currency rate:

₹ in crore

As on 31.03.2018	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease)		
USD	**0.07**	**0.07**
EURO	**0.15**	**0.15**
YEN	**0.01**	**0.01**

₹ in crore

As on 31.03.2017	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease)		
USD	0.21	0.21

B. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The company adopts a policy to ensure that maximum interest rate exposure is at a fixed rate. This is achieved by entering into fixed-rate instruments.

B.1. Exposure to interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Fixed-rate instruments		
Financial assets	**1,456.55**	1,424.66
Financial liabilities	**4,275.05**	4,435.00
Total	**5,731.60**	5,859.66
Variable-rate instruments		
Financial liabilities	**1,774.52**	1,474.80
Total	**1,774.52**	1,474.80

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

As on 31.03.2018	
Weighted average interest rate	8.16%
Balance	1,774.52
% of total loans	29.33%

As on 31.03.2017	
Weighted average interest rate	9.45%
Balance	1,474.80
% of total loans	24.96%

Notes to the standalone financial statements

B.2. Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

₹ in crore

As on 31.03.2018	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	8.87	8.87

₹ in crore

As on 31.03.2017	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	7.37	7.37

B.3. Fair value sensitivity analysis for fixed-rate instruments

The company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps). Therefore, a change in interest rates at the reporting date would not affect profit or loss.

C. Price risk

The company is exposed to price risk, which arises from investments in FVOCI equity securities and mutual funds designated as FVTPL instruments. The management monitors the proportion of equity securities in its investment portfolio based on market price of equity securities. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are duly approved. The primary goal is to maximise investment returns.

C.1. Sensitivity

The table below summarizes the impact on account of changes in prices of FVOCI securities. The analysis below is based on the assumptions that the price has increased/decreased by 5% in case of quoted equity instruments with all the other variables held constant.

₹ in crore

As on 31.03.2018	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	1.94	1.94

₹ in crore

As on 31.03.2017	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	2.37	2.37

Note - 51 : Capital management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

Notes to the standalone financial statements

The company's adjusted net debt to equity ratio at March 31, 2018 was as follows:

₹ in crore

Particulars	As at	
	31.03.2018	31.03.2017
Total liabilities	**6,875.79**	7,056.06
Less : Cash and bank balances	**35.43**	73.04
Adjusted net debt	**6,840.36**	6,983.02
Total equity	**4,643.49**	4,236.73
Adjusted net debt to adjusted equity ratio	**1.47**	1.65

Note - 52 : Earnings per share

[Number of shares]

Particulars	31.03.2018	31.03.2017
Issued equity shares	**146,075,130**	146,075,130
Weighted average shares outstanding - Basic and Diluted - A	**146,075,130**	146,075,130

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determine as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Profit and loss after tax	**419.60**	431.38
Profit and loss after tax for EPS - B	**419.60**	431.38
Basic Earnings per share [B/A] [₹]	**28.72**	29.53
Diluted Earnings per share [B/A] [₹]	**28.72**	29.53

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

Note - 53

The Composite Scheme of Compromise and Arrangement between Core Healthcare Limited (CHL), the Demerged Company, its Lenders and Shareholders and Nirma Limited, the Resulting Company and its Shareholders (the Scheme) under Sections 78, 100, 391 to 394 of the Companies Act, 1956, has been sanctioned by Hon'ble High Court of Gujarat vide an Order dated 01.03.2007. The Scheme has become effective with effect from 07.03.2007. Three parties have filed appeals before the Division Bench of Hon'ble High Court of Gujarat. The Scheme is subject to the result of the said appeal. The demerged undertaking i.e. healthcare division has been transferred to Aculife Healthcare Private Ltd. from 01.10.2014.

Note - 54

The Ministry of Environmental & Forests, the Government of India cancelled the Environment Clearance granted to the cement project at Mahuva, Gujarat. pursuant to which, the company has filed an appeal before the National Green Tribunal (NGT). The company's appeal was allowed by NGT. Against this order of NGT, appeal was preferred before Hon'ble Supreme Court which is pending.

Note - 55 : Exceptional items:

Exceptional item amounting to ₹ Nil (p.y. ₹ 102.13 crore) represents certain assets written off in respect of Cement project at Mahuva, Gujarat.

Notes to the standalone financial statements

Note - 56 : Due to Micro, Small and Medium Enterprises:

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

₹ in crore

Particulars	31.03.2018	31.03.2017
Principal amount remaining unpaid to any supplier as at the year end.	**0.05**	0.42
Interest due thereon	**Nil**	Nil
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during year.	**Nil**	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED.	**Nil**	Nil
Amount of interest accrued and remaining unpaid at the end of accounting year.	**Nil**	Nil

Note - 57 : Other disclosures

₹ in crore

Particulars	31.03.2018	31.03.2017
I. Payment to Auditors		
A. Statutory Auditors		
(1) For Statutory Audit	**0.50**	0.50
(2) For Tax Audit	**Nil**	0.25
(3) For Limited Review	**0.25**	0.25
(4) For Taxation Matters	**Nil**	0.75
(5) Out of pocket expenses	**Nil**	0.01
Total	**0.75**	1.76
B. Cost Auditors		
Audit Fee	**0.03**	0.03
Total	**0.03**	0.03

Note - 58 : Expenditure on corporate social responsibility activities

I. Gross amount required to be spent by the company during the year ₹ 11.35 crore (p.y. ₹ 9.61 crore)

II. Amount spent during the year:

₹ in crore

Particulars	In Cash	Yet to be paid in cash	Total
A. Construction of an asset	**2.65** (p.y. 6.00)	**Nil** (p.y. Nil)	**2.65** (p.y. 6.00)
B. On purpose other than (A) above	**5.01** (p.y. 3.61)	**Nil** (p.y. Nil)	**5.01** (p.y. 3.61)
Total	**7.66** (p.y. 9.61)	**Nil** (p.y. Nil)	**7.66** (p.y. 9.61)

Notes to the standalone financial statements

Note - 59

Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

₹ in crore

Particulars	31.03.2018	31.03.2017
Nuvoco Vistas Corporation Ltd.		
Loan		
Balance as at the year end	**333.72**	311.31
Maximum amount outstanding at any time during the year	**333.72**	311.31
Compulsorily Convertible Debentures		
Balance as at the year end	**1,027.09**	1,000.00
Maximum amount outstanding at any time during the year	**1,027.09**	1,000.00
Investment by Nuvoco Vistas Corporation Ltd. In Subsidiaries		
Name of the company	**No. of Shares**	
Rima Eastern Cement Ltd. (formerly known as "Lafarge Eastern India Ltd.") (Under process of striking off)	**50,000**	
[Loan given to Nuvoco Vistas Corporation Ltd. is long term in nature and repayable after one year subject to renewal. It carries an average rate of interest at 8% p.a.(p.y. 8% p.a.)]		

Note - 60

During the previous year, the company has made investment of ₹ 4,000 crore in Nirchem Cement Ltd. by way of subscribing 300,00,00,000 equity shares of face value of ₹ 10 each and 1,00,000 unsecured unrated unlisted compulsory convertible debentures of face value of ₹ 1,00,000 each. Nirchem Cement Limited is amalgamated with Nuvoco Vistas Corporation Limited (erstwhile Lafarge India Ltd.) ("Nuvoco") with an appointed date of October 4, 2016 as per the order dated April 6, 2017 of the Hon'ble National Company Law Tribunal, Mumbai bench, which has come into effect from April 19, 2017. Consequent upon the amalgamation, Nuvoco has issued and allotted 15,00,00,000 equity shares of ₹ 10 each fully paid up and 1,00,000 Compulsory convertible debentures of ₹ 1,00,000 each fully paid up to the company as per the terms of the Scheme of Amalgamation.

Note - 61

The financial statements are approved for issue by the Audit Committee as at its meeting and by the Board of Directors on May 25, 2018.

Note - 62

Disclosure pursuant to Ind AS-8 "Accounting policies, change in accounting estimates and errors" (specified under section 133 of the Companies Act 2013, read with rule 7 of Companies (Accounts) Rules, 2015) are given below:

Following are the restatement made in the current year's financial statements pertaining to previous year:

Particulars	As at 31st March, 2017 (Published)	As at 31st March, 2017 (Restated)	Nature
INCOME			
Revenue from Operations	5,391.42	5,417.15	Reclassification items

Particulars	As at 31st March, 2017 (Published)	As at 31st March, 2017 (Restated)	Nature
EXPENSE			
Other Expenses	1,788.82	1,814.55	Reclassification items

Notes to the standalone financial statements

* The above reclassifications in the prior year's published numbers have been made for better presentation in the financial statements and to conform to the current year's classification/disclosure. This does not have any impact on the profit and hence no change in the basic and diluted earnings per share of previous year.

* The above restatements does not have any impact at the beginning of the previous year i.e. 1st April, 2016.

Note - 63

Figures have been presented in 'crore' of rupees with two decimals. Figures less than ₹ 50,000 have been shown at actual in brackets. Previous year's figures have been regrouped wherever necessary.

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

AOC - I

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

Salient features of Financial Statements of Subsidiaries / Associates / Joint Venture as per the Companies Act, 2013

A. Subsidiaries

(₹ in crore)

Sr. No.	Name of the Subsidiary	The date since when Subsidiary was acquired	Reporting period	Reporting currency	Share capital***	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (loss) after Taxation	Proposed dividend	% of holding
1	Karnavati Holdings Inc., USA	20.11.2007	31.03.2018	USD	813.06	1,185.47	2,001.66	3.13	1,297.72	NIL	229.21	(8.27)	237.48	NIL	100
2	Searles Valley Minerals Inc. *	27.12.2007	31.03.2018	USD	1,099.00	342.73	2,503.17	1,061.44	2.26	2,456.46	186.48	(166.33)	352.81	NIL	100
3	Trona Railway Company LLC	27.12.2007	31.03.2018	USD	191.46	241.65	442.47	9.36	NIL	41.93	21.53	NIL	21.53	NIL	100
4	Searles Domestic Water Company LLC	24.06.2008	31.03.2018	USD	2.42	2.84	5.49	0.23	NIL	3.95	0.86	NIL	0.86	NIL	100
5	Searles Valley Minerals Europe	04.11.2008	31.03.2018	USD	4.84	(0.84)	8.01	4.01	NIL	17.48	(0.38)	(0.15)	(0.23)	NIL	100
6	Nuvoco Vistas Corporation Ltd. (formerly known as Lafarge India Ltd.)	04.10.2016	31.03.2018	INR	150.00	3,967.27	11,611.39	7,494.12	844.42	6,249.49	225.70	67.58	158.12	NIL	100
7	Rima Eastern Cement Ltd. (formerly known as Lafarge Eastern India Ltd.)**	04.10.2016	31.03.2018	INR	0.05	(0.05)	NIL	NIL	NIL	NIL	(0.05)	NIL	(0.05)	NIL	100

* Includes its subsidiaries - Searles Valley Minerals Europe, Searles Domestic Water Company LLC, Trona Railway Company LLC

** Wholly owned subsidiary of Nuvoco Vistas Corporation Ltd.(Under process of striking off)

*** Including addittional paid in capital.

1 Exchange rates as of 31.03.2018 in case of foreign subsidiaries are given below:

Currency	USD
Exchange Rate	65.04

2 There is no subsidiary which has been liquidated or sold during the year. Nirchem Cement Ltd., Wholly owned subsidiary has been amalgamated with Nuvoco Vistas Corporation Ltd. with an appointed date 4th October, 2016 and effective date 19th April, 2017.

B. Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in crore)

Sr. No.	Name of Associates / Joint Ventures	The date on which the Associate / Joint Venturer was associated or acquired	Latest audited Balance Sheet Date	Shares of Associate / Joint Venture held by the company on the year end			Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	
				No.	Amount of investment in Associate / Joint Venture	Extent of Holding%				Considered in Consolidation	Not Considered in Consolidation
1	FRM Trona Fuels LLC*	26.10.2011	31.12.2017**	-	2.26	49	N.A.	N.A.	2.26	(1.63)	(1.70)
2	Wardha Vaalley Coal Field Pvt. Ltd.***	04.10.2016	31.03.2018	861,300	0.86 #	19.14	N.A.	N.A.	NIL	NIL	(0.07)

* Associate

** Unaudited

*** Joint venture of Nuvoco Vistas Corporation Ltd.

Provision for diminution in value of investment is made for ₹ 0.86 crore.

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

Place : Ahmedabad
Date : May 25, 2018

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

In accordance with section 136 of the Companies Act, 2013, the Annual Accounts of each of the subsidiaries shall be made available to the shareholders of the Company seeking such information at any point in time. Further, the Audited Financial Statement, including the Consolidated Financial Statement and related information of the Company and accounts of each of its subsidiaries, are available on the website of the Company. These documents will also be available for inspection at our registered office during business hours (11.00 a.m. to 5.00 p.m.) on working days, except Saturday up to and including the date of Annual General Meeting of the Company.

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members
Nirma Limited
Ahmedabad

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Nirma Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its Associate and Joint Venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standard) Rules,2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group, its associate and joint venture as at 31st March, 2018, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter Note No.53 to the consolidated Ind AS financial statements.

The Composite Scheme of Compromise and Arrangement between Core Health care Limited (CHL), the Demerged Company, its Lenders and Shareholders and Nirma Limited, the Resulting Company and its Shareholders (the Scheme) under sections 78, 100, 391 to 394 of Companies Act,1956 has been sanctioned by the Hon'ble High Court of Gujarat vide an order dated 1st March, 2007.

The Scheme has become effective from 7th March, 2007. Three parties have filed appeal against this order before the Division Bench of Hon'ble High Court of Gujarat. The Scheme is subject to the result of the said appeal. The Demerged Undertaking i.e. healthcare division has been transferred to Aculife Healthcare Private Limited from 1st October 2014.

Our opinion is not modified in respect of these matters.

Other Matters

The Audited Consolidated financial statements for the year ended 31st March 2017, was carried out and reported by Hemanshu Shah & Co, vide their unmodified audit report dated May 25, 2017 whose report has been furnished to us by management and which has been relied upon by us for the purpose of our audit of the Consolidated financial statements. Our audit report is not qualified in respect of this matter.

We did not audit the Consolidated Ind AS Financial statements / financial information of seven subsidiaries whose Consolidated Ind AS Financial statements / financial information reflect total assets of Rs.14,310.76 crore and net assets of Rs.6,259.76 crore as at 31st March, 2018, total revenues of Rs.8,783.95 crore and net cash outflow amounting to Rs.468.02 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs.1.63 crore for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements in respect of one associate and net profit of ₹ NIL in respect of one joint venture, whose financial statements / financial information have not been audited by us.

These financial statements / consolidated financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint venture is based solely on the reports of the other auditors.

Certain of these subsidiaries and associate are located outside India whose financial statements / consolidated financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements / consolidated financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint venture, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the companies (Indian Accounting Standard) Rules,2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies, its associate company and joint venture incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and joint venture incorporated in India and the operating effectiveness of such controls refer to our separate Report in "Annexure A".

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate and joint venture, as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture. Refer Note.43 to the consolidated Ind AS financial statements.

ii. The Group, its associate and joint venture has made provision as at 31st March, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint venture incorporated in India during the year ended 31st March 2018.

For Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No.108363W

Place : Ahmedabad
Date : May 25, 2018

(Rajendra D. Shah)
Proprietor
Membership No. 4844

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Nirma Limited ("the Company" or "the Holding Company") and its subsidiary companies and joint venture which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the 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") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiaries and joint venture which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies and one joint venture which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No.108363W

Place : Ahmedabad
Date : May 25, 2018

(Rajendra D. Shah)
Proprietor
Membership No. 4844

BALANCE SHEET AS AT 31ST MARCH, 2018

₹ in crore

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	**9,874.78**	10,151.05
(b) Capital work-in-progress	2	**868.73**	336.70
(c) Investment Property	3	**11.65**	11.73
(d) Goodwill	4	**6,527.68**	6,527.10
(e) Other Intangible assets	5	**1,354.62**	1,403.59
(f) Intangible assets under development	5	**3.16**	13.48
(g) Investment in associate & joint venture	6	**2.26**	2.43
(h) Financial assets			
(i) Investments	7	**46.30**	64.17
(ii) Loans	8	**1.57**	2.19
(iii) Other financial assets	9	**518.30**	360.72
(i) Other non current assets	10	**292.91**	232.89
Total non current assets		**19,501.96**	19,106.05
2 Current Assets			
(a) Inventories	11	**1,929.53**	1,835.70
(b) Financial assets			
(i) Investments	12	**844.37**	412.19
(ii) Trade receivables	13	**1,309.11**	1,260.03
(iii) Cash and cash equivalents	14	**227.05**	733.63
(iv) Bank balances other than (iii) above	15	**547.63**	25.60
(v) Loans	16	**67.92**	77.21
(vi) Other financial assets	17	**151.46**	231.97
(c) Other current assets	18	**237.43**	364.13
Total current assets		**5,314.50**	4,940.46
TOTAL ASSETS		**24,816.46**	24,046.51
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	**73.04**	73.04
(b) Other equity	20	**10,223.08**	9,342.10
Total equity		**10,296.12**	9,415.14
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	**6,673.05**	8,599.17
(ii) Other financial liabilities	22	**198.23**	139.23
(b) Provisions	23	**161.94**	179.99
(c) Deferred tax liabilities (Net)	24	**1,379.84**	1,561.13
(d) Other non-current liabilities	25	**11.28**	13.31
Total non current liabilities		**8,424.34**	10,492.83
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	26	**356.11**	1,041.40
(ii) Trade payables	27	**1,267.93**	1,267.97
(iii) Other financial liabilities	28	**3,251.07**	758.23
(b) Other current liabilities	29	**575.76**	463.41
(c) Provisions	30	**371.43**	322.05
(d) Current tax liabilities (Net)	31	**273.70**	285.48
Total current liabilities		**6,096.00**	4,138.54
Total liabilities		**14,520.34**	14,631.37
TOTAL EQUITY AND LIABILITIES		**24,816.46**	24,046.51
Significant Accounting Policies	1		
The accompanying Notes 2 to 67 are an integral part of the Consolidated Financial Statements.			

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

₹ in crore

	Particulars	Note No	2017-2018	2016-2017
I	Revenue from operations	32	**14,480.01**	10,827.36
II	Other income	33	**180.79**	179.69
III	**Total Income (I+II)**		**14,660.80**	11,007.05
IV	**Expenses**			
	(a) Cost of materials consumed	34	**3,363.20**	2,307.65
	(b) Purchases of stock in trade		**24.72**	53.34
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	35	**20.51**	15.24
	(d) Excise duty		**383.45**	922.76
	(e) Employee benefits expenses	36	**1,111.48**	903.95
	(f) Finance costs	37	**850.89**	522.67
	(g) Depreciation and amortisation expenses	38	**946.24**	529.55
	(h) Other expenses	39	**7,013.46**	4,769.71
	Total Expenses (IV)		**13,713.95**	10,024.87
V	**Profit before exceptional items and tax (III-IV)**		**946.85**	982.18
VI	Exceptional items		**Nil**	110.86
VII	**Profit before share in net profit / (Loss) of associate (V-VI)**		**946.85**	871.32
	Add : Share in net profit / (Loss) of associate		**(1.63)**	(2.36)
VIII	**Profit before tax**		**945.22**	868.96
IX	**Tax expense**	40		
	(a) Current tax		**220.64**	176.67
	(b) Tax expenses relating to earlier year		**(49.19)**	(46.75)
	(c) MAT credit utilised/(entitlement)		**(54.04)**	(139.30)
	(d) MAT credit entitlement relating to earlier year		**(41.59)**	(46.76)
	(e) Deferred tax		**(29.57)**	286.40
	Total Tax Expense		**46.25**	230.26
X	**Profit for the year from continuing operations (VIII-IX)**		**898.97**	638.70
XI	**Other comprehensive income**	41		
	(a) Items that will not be reclassified to profit or loss		**(11.51)**	7.93
	(b) Income tax relating to Items that will not be reclassified to profit or loss		**(0.34)**	1.13
	(c) Items that will be reclassified to profit or loss		**7.42**	(37.68)
	(d) Income tax relating to Items that will be reclassified to profit or loss		**(0.03)**	(0.01)
	Total Other comprehensive income		**(4.46)**	(28.63)
XII	**Total comprehensive income for the year (X+XI)**		**894.51**	610.07
	Profit attributable to :			
	Owners		**898.97**	638.70
	Non-controlling interests		**Nil**	Nil
	Other comprehensive income attributable to :			
	Owners		**(4.46)**	(28.63)
	Non-controlling interests		**Nil**	Nil
	Total comprehensive income attributable to :			
	Owners		**894.51**	610.07
	Non-controlling interests		**Nil**	Nil
XIII	**Earnings per equity share**	52		
	(i) Basic (in ₹)		**61.54**	43.72
	(ii) Diluted (in ₹)		**61.54**	43.72
	Significant Accounting Policies	1		
	The accompanying Notes 2 to 67 are an integral part of the Consolidated Financial Statements.			

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2018

A. Equity share capital

Equity shares of ₹ 5 each

₹ in crore

Particulars	As at 1st April, 2016	Changes in equity share capital during 2016-2017	As at 31st March, 2017	**Changes in equity share capital during 2017-2018**	**As at 31st March, 2018**
	73.04	Nil	73.04	**Nil**	**73.04**

B. Other equity

₹ in crore

Particulars	Reserves & Surplus									Items of Other comprehensive income				Total
	Capital Reserve	Equity Security Premium	Capital Redemption Reserve	Debenture Redemption Reserve	Amalgamation Reserves	General Reserve	Non cash contribution from Owners	Retained Earnings	Statutory Reserves	Remeasurement of defined benefit plans	Equity instruments through other comprehensive Income	Cash Flow Hedge Reserve	Currency Fluctuation Reserve	
Balance at April 1, 2016	328.17	29.81	32.35	40.53	Nil	1,915.20	1.17	2,080.25	Nil	0.65	45.79	Nil	306.41	4,780.33
Retained earning during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	638.70	Nil	Nil	Nil	Nil	Nil	638.70
Other comprehensive income during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(5.11)	14.17	0.03	(37.72)	(28.63)
Total comprehensive income for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	638.70	Nil	(5.11)	14.17	0.03	(37.72)	610.07
Acquisition of subsidiary	37.33	1,326.56	23.33	Nil	2.53	90.00	Nil	2,471.97	0.01	0.06	Nil	(0.09)	Nil	3,951.70
Transfer from Non cash contribution from owner to retained earnings	Nil	Nil	Nil	Nil	Nil	Nil	(1.17)	1.17	Nil	Nil	Nil	Nil	Nil	Nil
Transfer of Debenture Redemption Reserve to General Reserve on redemption of debenture	Nil	Nil	Nil	(14.22)	Nil	14.22	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Creation of Debenture Redemption Reserve from Retained earnings	Nil	Nil	Nil	268.83	Nil	Nil	Nil	(268.83)	Nil	Nil	Nil	Nil	Nil	Nil
Transfer from retained earnings to Capital Redemption Reserve on redemption of preference share	Nil	Nil	10.00	Nil	Nil	Nil	Nil	(10.00)	Nil	Nil	Nil	Nil	Nil	Nil
Balance at March 31, 2017	365.50	1,356.37	65.68	295.14	2.53	2,019.42	Nil	4,913.26	0.01	(4.40)	59.96	(0.06)	268.69	9,342.10

₹ in crore

Particulars	Reserves & Surplus									Items of Other comprehensive income				Total
	Capital Reserve	Equity Security Premium	Capital Redemption Reserve	Debenture Redemption Reserve	Amalgamation Reserves	General Reserve	Non cash contribution from Owners	Retained Earnings	Statutory Reserves	Remeasurement of defined benefit plans	Equity instruments through other comprehensive Income	Cash Flow Hedge Reserve	Currency Fluctuation Reserve	
Balance at April 1, 2017	**365.50**	**1,356.37**	**65.68**	**295.14**	**2.53**	**2,019.42**	**Nil**	**4,913.26**	**0.01**	**(4.40)**	**59.96**	**(0.06)**	**268.69**	**9,342.10**
Retained earning during the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**898.97**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**898.97**
Other comprehensive income for the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**0.03**	**(11.88)**	**0.06**	**7.33**	**(4.46)**
Total comprehensive income for the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**898.97**	**Nil**	**0.03**	**(11.88)**	**0.06**	**7.33**	**894.51**
Transfer of Debenture Redemption Reserve to General Reserve on redemption of debenture	**Nil**	**Nil**	**Nil**	**(14.41)**	**Nil**	**14.41**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Creation of Debenture Redemption Reserve from Retained earnings	**Nil**	**Nil**	**Nil**	**597.11**	**Nil**	**Nil**	**Nil**	**(597.11)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Share issue expense*	**Nil**	**(13.53)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**(13.53)**
Balance at March 31, 2018	**365.50**	**1,342.84**	**65.68**	**877.84**	**2.53**	**2,033.83**	**Nil**	**5,215.12**	**0.01**	**(4.37)**	**48.08**	**Nil**	**276.02**	**10,223.08**

*Share issue expense is related to stamp duty charge on new equity shares issued by Indian Subsidiary on amalgamation in previous year

The accompanying Notes 1 to 67 are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Rajendra D. Shah & Co.
Chartered Accountants
Firm Registration No. 108363W

Rajendra D. Shah
Proprietor
Membership No. 4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

NIRMA

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

₹ in crore

			2017-2018	2016-2017
	Cash flow from continuing operations			
A	**Cash flow from operating activities :**			
	Profit before tax		**945.22**	868.96
	Adjustments for :			
	Exceptional Items		**Nil**	102.13
	Property, Plant & Equipment/CWIP written off		**7.64**	3.57
	Loss of Asset due to damages		**4.10**	Nil
	Depreciation and amortisation		**946.24**	529.55
	Interest Income		**(54.38)**	(68.84)
	Finance Cost - net of capitalization		**850.89**	522.67
	Exchange fluctuation gain/ loss (Net)		**(0.34)**	0.87
	Profit/Loss on sale of Property, Plant and equipment (Net)		**(0.36)**	(0.22)
	Dividend on non current investment		**(0.44)**	(0.55)
	Provision for doubtful loans and advances		**10.97**	4.58
	Provision/Liabilities no longer required written back		**(48.40)**	(22.59)
	Non Cash Provision		**10.48**	13.20
	Share of Loss in associate		**1.63**	2.36
	Fair value gain on financial instruments at fair value through profit and loss		**(13.90)**	(1.09)
	Bad debts written off		**0.02**	52.84
	Sundry balance Written off		**(1.27)**	(0.36)
	Net gain on sale of current investment		**(32.53)**	(60.31)
			1,680.35	1,077.81
	Operating profit before working capital changes		**2,625.57**	1,946.77
	Adjustments for :			
	(Increase)/ Decrease in trade and other receivables	(528.31)		(230.57)
	(Increase)/ Decrease in Inventories	(93.83)		(192.71)
	Increase in trade/ other payables, provisions and other liability	254.51		397.45
			(367.63)	(25.83)
	Cash generated from operations		**2,257.94**	1,920.94
	Direct taxes paid net of refund		**(219.03)**	(9.85)
	Net cash from operating activities		**2,038.91**	1,911.09
B	**Cash flow generated from investing activities :**			
	Purchase of Property Plant and equipment	(1,181.38)		(1,296.08)
	Sale of Property Plant and equipment	0.58		0.73
	Sale of current Investments	5,207.22		13,284.39
	Sale of non current Investments	2.66		20.00
	Consideration Paid for Acquisition of Subsidiary	Nil		(8,140.70)
	Purchase of current investments	(5,592.97)		(13,338.59)
	Investment in Associates	(1.46)		(1.75)
	Interest received	19.73		54.57
	Dividend on non current investment	0.44		0.55
			(1,545.18)	(9,416.88)
	Net cash used in investing activities		**493.73**	(7,505.79)

₹ in crore

			2017-2018	2016-2017
C	**Cash flow generated from financing activities :**			
	Change in loans and advances	10.22		(14.93)
	Stamp Duty on issue of shares	(20.79)		Nil
	Proceeds from Short Term borrowings	117.92		1,865.75
	Repayment of Short Term borrowings	(712.80)		(1,484.99)
	Proceeds from Long Term borrowings	1,561.22		8,048.94
	Repayment of Long Term borrowings	(1,097.37)		(110.00)
	Interest paid	(798.64)		(513.08)
	Payment on account of redemption of preference shares	Nil		(10.00)
	Redemption of Debentures	(60.00)		Nil
	Unclaimed Dividend paid	(0.07)		(0.09)
	Net cash used in financing activities		**(1,000.31)**	7,781.60
	Net increase in cash and cash equivalents		**(506.58)**	275.81
	Net increase/(decrease) in cash and cash equivalents		**(506.58)**	275.81
	Cash and cash equivalents at the beginning of the year (Refer Note No. 14)		**733.63**	457.82
	Cash and cash equivalents at end of the year (Refer Note No. 14)		**227.05**	733.63

Notes :

(1) The above Cash Flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7- "Cash Flow Statements".

(2) Previous year's figures have been regrouped, wherever necessary.

₹ in crore

		2017-2018	2016-2017
(3)	Total consideration paid for subsidiary.	**Nil**	8207.50
	Less: cash and cash equivalent acquired on acquisition of Subsidiary.	**Nil**	66.80
	Net consideration paid.	**Nil**	8140.70

(4) Disclosure as required by (IND AS) 7 - "Cash Flow Statements"
- Changes in liabilities arising from financing activities:

₹ in crore

Particulars	**2017-2018**
Opening Balance	**9,837.03**
Non Cash Movement	
Accrual of Interest	**788.04**
Cash Movement	
Proceeds from Borrowings	**1,679.14**
Principal Repayment	**(1,870.17)**
Interest Repayment	**(707.10)**
Closing Balance	**9,726.94**

(5) The accompanying Notes 1 to 67 are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

For and on behalf of the Board

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

Notes to Consolidated financial statements for the year ended 31st March, 2018

Note 1

I. Group Information

The consolidated financial statements comprise financial statements of Nirma Limited (the parent), its subsidiaries, joint venture and associate (collectively, the group) for the year ended 31 March, 2018. The parent is a company domiciled in India and incorporated under the provisions of Companies Act, 1956 of India as a Private Limited Company. The group has its registered office at Nirma House, Ashram Road, Ahmedabad- 380009, Gujarat, India. The group is engaged in manufacturing and selling of various products as mentioned below:

A. Industrial chemicals like Soda Ash, Linear Alkyl Benzene, Caustic Soda, etc.

B. Consumer products like Detergents, Toilet Soaps, Salt, etc.

C. Cement, Clinker and Aggregates.

II. Basis of preparation

A. The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

B. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through profit or loss (refer note 49)
2. Financial instruments measured at fair value through other comprehensive income (refer note 49)
3. Defined benefit plans – plan assets measured at fair value (refer note 47)

C. Principles of Consolidation

1. The Consolidated Financial Statements comprises the financial statements of the Company, its subsidiaries, associate and its joint controlled entity (together "the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The list of companies which are included in consolidation and the Parent company's holdings therein are as under:

Name of the Company	Country	Percentage Holding March 31, 2018
a) Subsidiaries		
1) Karnavati Holdings Inc.	USA	100%
2) Nuvoco Vistas Corporation Ltd. (formerly known as Lafarge India Ltd.)	India	100%
3) Rima Eastern Cement Ltd. (formerly known as Lafarge Eastern India Ltd.)	India	100%
4) Searles Valley Minerals Inc.	USA	100%
5) Searles Domestic Water Company	USA	100%
6) Trona Railway Company	USA	100%
7) Searles Valley Minerals Europe	France	100%
b) Joint Venture		
1) Wardha Vaalley Coal Field Private Ltd.	India	19.14%
c) Associate		
1) FRM Trona Fuels LLC	USA	49%

The financial statements of each of the above companies are drawn up to the same reporting date as that of the parent Company i.e. March 31, 2018 except FRM Trona Fuels LLC whose financial statements are drawn upto December 31, 2017.

Subsidiaries

2. The consolidated financial statements of the Company and its subsidiary companies have been prepared in accordance with the Ind AS 110 “Consolidated Financial Statements”. The intra-group balances, intra-group transactions and unrealised profits/losses if any are fully eliminated.

3. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company’s separate financial statements.

4. The excess cost of the parent company of its investment in the subsidiary, on the acquisition dates over and above the parent company’s share of fair value of net identifiable assets acquired and liability assumed in the subsidiary, is recognised in the Consolidated Financial Statements as Goodwill. On the other hand, where the share of fair value of net identifiable assets acquired and liability assumed as on the date of investment is in excess of cost of investments of the parent company, it is recognised as “Capital Reserve”.

Associates

5. Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

6. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity Method

7. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group’s share of the post-acquisition profits or losses of the investee in profit and loss, and the group’s share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

   When the group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of other entity.

   Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group’s interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

   The carrying amount of equity accounted investments are tested for impairment in accordance with the policy.

III. Significant accounting policies

A. Revenue recognition

1. Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts and incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

2. Sale of goods – non-cash incentive schemes (deferred revenue)

The group operates a non-cash incentive scheme programme where dealers / agents are entitled to non-cash incentives on achievement of sales targets. Revenue related to the non-cash schemes is deferred and recognised when the targets are achieved. The amount of revenue is based on the realisation of the sales targets to the period of scheme defined.

3. Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

4. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that a group incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

C. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

D. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

E. Taxes

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2. Deferred tax

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

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

i. deductible temporary differences;

ii. the carry forward of unused tax losses; and

iii. the carry forward of unused tax credits.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised an asset in accordance with recommendations contained in Guidance Note issued by ICAI, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT Credit Entitlement. The group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to an extent there is no longer convincing evidence to the effect that the group will pay normal Income Tax during the specified period.

3. Discontinued operations

Assets and Liabilities of discontinued operations are assessed at each Balance Sheet date. Impacts of any impairment and write-backs are dealt with in the consolidated statement of profit and loss. Impacts of discontinued operations are distinguished from the ongoing operations of the group, so that their impact on the consolidated statement of profit and loss for the year can be perceived.

F. Leases

1. Group as a lessee

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

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

2. Group as a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

G. Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The group operates a defined benefit gratuity plan in India, which requires contributions to be made to a LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

i. The date of the plan amendment or curtailment, and

ii. The date that the group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

1. Long-term employee benefits

Post-employment and other employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post-employment and other long term benefits are charged to the statement of other comprehensive income.

2. **Defined contribution plans**

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid.

H. Non-current assets held for sale

The group classifies non-current assets and disposal group's as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset to be highly probable when:

1. The appropriate level of management is committed to a plan to sell the asset.
2. An active program to locate a buyer and complete the plan has been initiated,
3. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
4. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
5. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

I. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of spare parts that meets the definition of 'property, plant and equipment' is recognised as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Freehold mining Land	Amortised on unit of production method based on extraction of limestone from mines
Leasehold Land	Over the lease period
Buildings	5 to 60 years
Plant and machinery	1 to 40 years
Furniture and fixtures	5 to 10 years
Office equipment	5 to 10 years
Vehicles	5 to 10 years
Helicopter	20 years
Mineral reserves	200 years

Depreciation on fixed assets has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the companies Act, 2013

Depreciation on fixed assets is provided on Straight Line Method except assets located at Mandali, Dhank, Chhatral, Trikampura, Caustic Soda Plant at Bhavnagar, Castor Oil Plant at Nandasan, at Igoor Coffee estate and at corporate office of parent company.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold / discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

J. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions.

The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

K. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measure reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

L. Intangibles

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Amortisation methods, estimated useful lives and residual value

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable. The useful lives of intangible assets are assessed as either finite or indefinite. The useful life so determined are as follows:

Assets	Amortisation period
Lease and license rights	(Finite) 60 years
Mining rights	Amortised on unit of production method based on extraction of limestone from mines
Supplier Agreement	(Finite) upto the validity of the contract
Trademark	(Finite) 10 years
Computer Software	(Finite) 5 years
Customer Relationships	(Finite) 10 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

M. Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the consolidated Statement of Profit and Loss and included in depreciation and amortization expenses. Impairment losses are reversed in the consolidated Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

N. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
2. **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. **Stores and spares:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Items of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognised as a part of inventories.
4. **Fuel:** cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

O. Financial Instruments

1. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortised cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)

c. Financial assets at fair value through profit or loss (FVTPL)

d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

iv. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. Financial instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the group's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   i) the group has transferred substantially all the risks and rewards of the asset, or

   ii) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognize the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

viii. Impairment of financial assets

The group assesses impairment based on expected credit loss (ECL) model to the following:

a. Financial assets measured at amortised cost;

b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The group follows 'simplified approach' for recognition of impairment loss allowance on:

a. Trade receivables or contract revenue receivables; and

b. All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach, the group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below.

ix. Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

2. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at fair value through profit or loss

b. Loans and borrowings

c. Financial guarantee contracts

iii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The group has not designated any financial liability as at fair value through profit and loss.

iv. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

v. Financial guarantee contracts

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

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to loans or other payables of associates are provided for no compensation the fair values are accounted for as contributions and recognised as part of the cost of the investment.

vi. Preference shares

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

vii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3. **Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

P. Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

1. In case of individual asset, at higher of the fair value less cost to sell and value in use; and
2. In case of cash-generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

R. Cash dividend and non-cash distribution to equity holders of the parent

The group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

S. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

T. Provisions, Contingent liabilities, Contingent assets and Commitments

General :

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

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

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The group provides for the 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 expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

U. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

V. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

W. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 40 - Current tax

Note 47 - Measurement of defined benefit obligations

Note 50 - Expected credit loss for receivables

Note 49 - Fair valuation of unlisted securities

X. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the group are segregated.

Y. Current and non-current classification

The group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or

4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

Z. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

1. Transactions and balances

Transactions in foreign currencies are initially recorded by the group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. Assets and liabilities are translated at the closing rate at the date of that balance sheet
2. Income and expenses are translated at average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income and all resulting exchange differences are recognised in other comprehensive income.

2. Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Consolidated Statement of OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

Any goodwill arising in the acquisition / business combination of a foreign operation on or after adoption of Ind AS 103– Business Combination, and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date. Any goodwill or fair value adjustments arising in business combinations / acquisitions, which occurred before the date of adoption of Ind AS 103 – Business Combination, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

AA. Fair value measurement

The group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability, or
2. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

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

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The group's valuation committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the group's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the group's external valuers present the valuation results to the Audit Committee and the group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1. Disclosures for valuation methods, significant estimates and assumptions.
2. Quantitative disclosures of fair value measurement hierarchy.
3. Investment in unquoted equity shares (discontinued operations).
4. Financial instruments (including those carried at amortised cost).

BB. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

CC. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of Schedule III, unless otherwise stated.

DD. Standards issued but not yet effective

i. Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

ii. Amendment to existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosures of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the group's financial statements.

Note - 2 A : PROPERTY, PLANT AND EQUIPMENT

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2017	Additions/ Adjustment during the year	Acquisition of subsidiary	Disposal/ Adjustment during the year	Translation Adjustments	As at 31.03.2018	As at 01.04.2017	Charge for the Year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
1. Freehold land	748.15	**25.07**	**Nil**	**Nil**	**Nil**	**773.22**	2.47	**9.40**	**Nil**	**Nil**	**Nil**	**11.87**	**761.35**	745.68
2. Freehold mining Land	1.83	**Nil**	**Nil**	**Nil**	**Nil**	**1.83**	0.16	**0.06**	**Nil**	**Nil**	**Nil**	**0.22**	**1.61**	1.67
3. Leasehold land (permanent)	0.13	**Nil**	**Nil**	**Nil**	**Nil**	**0.13**	Nil	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**0.13**	0.13
4. Leasehold land	96.33	**0.86**	**Nil**	**2.25**	**Nil**	**94.94**	1.21	**2.20**	**Nil**	**Nil**	**Nil**	**3.41**	**91.53**	95.12
5. Buildings	1,545.65	**84.30**	**Nil**	**9.26**	**0.56**	**1,621.25**	348.27	**71.04**	**Nil**	**9.25**	**1.05**	**411.11**	**1,210.14**	1,197.38
6. Plant & equipments	9,470.16	**472.29**	**Nil**	**8.15**	**3.16**	**9,937.46**	1,636.78	**761.67**	**Nil**	**3.13**	**1.33**	**2,396.65**	**7,540.81**	7,833.38
7. Furniture and fixtures	12.59	**3.12**	**Nil**	**0.01**	**Nil**	**15.70**	1.32	**2.29**	**Nil**	**Nil**	**Nil**	**3.61**	**12.09**	11.27
8. Vehicles	68.43	**8.91**	**Nil**	**0.41**	**0.16**	**77.09**	24.58	**13.97**	**Nil**	**0.30**	**0.13**	**38.38**	**38.71**	43.85
9. Office equipments	12.06	**1.63**	**Nil**	**0.20**	**Nil**	**13.49**	0.82	**4.17**	**Nil**	**0.19**	**Nil**	**4.80**	**8.69**	11.24
10. Helicopter	14.60	**Nil**	**Nil**	**Nil**	**Nil**	**14.60**	12.79	**1.17**	**Nil**	**Nil**	**Nil**	**13.96**	**0.64**	1.81
11. Mineral Reserves	211.74	**Nil**	**Nil**	**Nil**	**0.66**	**212.40**	2.22	**1.10**	**Nil**	**Nil**	**Nil**	**3.32**	**209.08**	209.52
TOTAL	12,181.67	**596.18**	**Nil**	**20.28**	**4.54**	**12,762.11**	2,030.62	**867.07**	**Nil**	**12.87**	**2.51**	**2,887.33**	**9,874.78**	10,151.05

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 01.04.2016	Charge for the Year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
1. Freehold land	152.56	6.29	589.31	0.01	Nil	748.15	Nil	0.54	1.93	Nil	Nil	2.47	745.68	152.56
2. Freehold mining Land	1.83	Nil	Nil	Nil	Nil	1.83	0.08	0.08	Nil	Nil	Nil	0.16	1.67	1.75
3. Leasehold land (permanent)	0.13	Nil	Nil	Nil	Nil	0.13	Nil	Nil	Nil	Nil	Nil	Nil	0.13	0.13
4. Leasehold land	0.55	Nil	95.78	Nil	Nil	96.33	Nil	0.59	0.62	Nil	Nil	1.21	95.12	0.55
5. Buildings	331.39	111.06	1,107.02	0.58	(3.24)	1,545.65	58.27	47.56	244.67	0.15	(2.08)	348.27	1,197.38	273.12
6. Plant & equipments	3,255.16	1,689.81	4,580.65	35.21	(20.25)	9,470.16	291.77	419.07	952.88	19.91	(7.03)	1,636.78	7,833.38	2,963.39
7. Furniture and fixtures	9.00	1.47	2.12	Nil	Nil	12.59	1.40	1.65	(1.73)	Nil	Nil	1.32	11.27	7.60
8. Vehicles	59.16	8.92	1.59	0.27	(0.97)	68.43	12.30	12.72	0.36	0.13	(0.67)	24.58	43.85	46.86
9. Office equipments	4.22	2.45	5.39	Nil	Nil	12.06	1.31	2.63	(3.12)	Nil	Nil	0.82	11.24	2.91
10. Helicopter	14.60	Nil	Nil	Nil	Nil	14.60	9.46	3.33	Nil	Nil	Nil	12.79	1.81	5.14
11. Mineral Reserves	216.32	Nil	Nil	Nil	(4.58)	211.74	1.12	1.14	Nil	Nil	(0.04)	2.22	209.52	215.20
TOTAL	4,044.92	1,820.00	6,381.86	36.07	(29.04)	12,181.67	375.71	489.31	1,195.61	20.19	(9.82)	2,030.62	10,151.05	3,669.21

Note - 2 B : CAPITAL WORK-IN-PROGRESS

₹ in crore

Particulars	As at 01.04.2017	Additions during the year	Acquisition of subsidiary	Transfer during the year	Translation Adjustments	written off during the year	As at 31.03.2018
Capital work-in-progress	336.70	**945.39**	**Nil**	**408.01**	**1.47**	**6.82**	**868.73**

₹ in crore

Particulars	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Transfer during the year	Translation Adjustments	written off during the year	As at 31.03.2017
Capital work-in-progress	678.55	1,398.64	108.75	1,754.43	(1.18)	93.63	336.70

Notes :

I. Building includes (₹ 1000) (p.y. ₹ 1000) in respect of shares held in co-op housing society.

II. Addition to block of Plant and equipments and others includes interest capitalised during the year ₹ 35.42 crore (p.y. ₹ 81.56 crore).

III. The group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition i.e. April 1, 2015 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

IV. Mining Land of ₹ 1.83 crore (p.y. ₹ 1.83 crore) acquired on amalgamation are yet to be transferred in the name of the parent company.

V. Refer note no.42 for information on property, plant and equipment pledged as security by the group.

VI. Refer note no.43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

VII. Refer note no.46 for capitalisation of expenses.

VIII. Refer note no.54 & 55 for assets written off.

IX. Refer Note no.58 for acquisition of subsidiary.

X. Freehold land includes ₹ 2.11 crore (p.y. ₹ 2.11 crore) being used by third party.

NOTE - 3 : INVESTMENT PROPERTY

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2017	**Additions during the year**	**Acquisition of subsidiary**	**Disposal during the year**	**Translation Adjustments**	**As at 31.03.2018**	As at 01.04.2017	**Charge for the year**	**Acquisition of subsidiary**	**Disposal during the year**	**Translation Adjustments**	**As at 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
Land	10.30	**Nil**	**Nil**	**Nil**	**Nil**	**10.30**	Nil	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**10.30**	10.30
Building	1.51	**Nil**	**Nil**	**Nil**	**Nil**	**1.51**	0.08	**0.08**	**Nil**	**Nil**	**Nil**	**0.16**	**1.35**	1.43
Total	11.81	**Nil**	**Nil**	**Nil**	**Nil**	**11.81**	0.08	**0.08**	**Nil**	**Nil**	**Nil**	**0.16**	**11.65**	11.73

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 01.04.2016	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land	10.30	Nil	Nil	Nil	Nil	10.30	Nil	Nil	Nil	Nil	Nil	Nil	10.30	10.30
Building	Nil	Nil	1.51	Nil	Nil	1.51	Nil	0.04	0.04	Nil	Nil	0.08	1.43	Nil
Total	10.30	Nil	1.51	Nil	Nil	11.81	Nil	0.04	0.04	Nil	Nil	0.08	11.73	10.30

Notes :

I. Fair value of investment properties are ₹ 51.93 crore (p.y ₹ 51.93 crore).

II. The valuation of land is based on valuation performed and accredited by independent valuer and the valuation of building is based on independent broker's quote for purchase of building. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 and 3 fair value hierarchy.

III. Refer Note no.58 for acquisition of subsidiary.

NOTE - 4 : GOODWILL

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2017	**Additions during the year**	**Acquisition of subsidiary**	**Disposal during the year**	**Translation Adjustments**	**As at 31.03.2018**	As at 01.04.2017	**Charge for the year**	**Acquisition of subsidiary**	**Disposal during the year**	**Translation Adjustments**	**As at 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
Goodwill	549.59	**Nil**	**Nil**	**Nil**	**Nil**	**549.59**	Nil	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**549.59**	549.59
Goodwill on Consolidation	5,977.51	**Nil**	**Nil**	**Nil**	**0.58**	**5,978.09**	Nil	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**5,978.09**	5,977.51
TOTAL	6,527.10	**Nil**	**Nil**	**Nil**	**0.58**	**6,527.68**	Nil	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**6,527.68**	6,527.10

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 01.04.2016	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Goodwill	Nil	Nil	549.59	Nil	Nil	549.59	Nil	Nil	Nil	Nil	Nil	Nil	549.59	Nil
Goodwill on Consolidation	183.41	5,798.02	Nil	Nil	(3.92)	5,977.51	Nil	Nil	Nil	Nil	Nil	Nil	5,977.51	183.41
TOTAL	183.41	5,798.02	549.59	Nil	(3.92)	6,527.10	Nil	Nil	Nil	Nil	Nil	Nil	6,527.10	183.41

Notes :

I. Refer Note no.58 for acquisition of subsidiary.

II. The group has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

III. The group's goodwill on consolidation and 'goodwill acquired separately' are tested for impairment annually or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs, The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

NOTE - 5 A : OTHER INTANGIBLE ASSETS

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2017	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2018	As at 01.04.2017	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
1. Trademarks	499.25	Nil	Nil	Nil	0.01	499.26	24.83	49.62	Nil	Nil	Nil	74.45	424.81	474.42
2. Computer software	25.42	1.51	Nil	Nil	0.02	26.95	7.16	4.17	Nil	Nil	0.02	11.35	15.60	18.26
3. Mining rights	906.05	28.58	Nil	Nil	Nil	934.63	12.46	19.13	Nil	Nil	Nil	31.59	903.04	893.59
4. Lease and license rights	0.01	Nil	Nil	Nil	Nil	0.01	(₹ 5,364)	(₹ 2,682)	Nil	Nil	Nil	(₹ 8,046)	0.01	0.01
5. Customer Relationship	7.03	Nil	Nil	Nil	0.07	7.10	5.28	1.74	Nil	Nil	0.05	7.07	0.03	1.75
6. Suppliers Agreement	17.78	Nil	Nil	Nil	Nil	17.78	2.22	4.43	Nil	Nil	Nil	6.65	11.13	15.56
TOTAL	1,455.54	30.09	Nil	Nil	0.10	1,485.73	51.95	79.09	Nil	Nil	0.07	131.11	1,354.62	1,403.59

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 01.04.2016	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
1. Trademarks	2.65	Nil	496.66	Nil	(0.06)	499.25	Nil	24.83	Nil	Nil	Nil	24.83	474.42	2.65
2. Computer software	1.20	14.55	9.64	Nil	0.03	25.42	0.18	0.75	6.22	Nil	0.01	7.16	18.26	1.02
3. Mining rights	12.60	3.03	890.42	Nil	Nil	906.05	0.13	9.98	2.35	Nil	Nil	12.46	893.59	12.47
4. Lease and license rights	0.01	Nil	Nil	Nil	Nil	0.01	(₹ 2,682)	(₹ 2,682)	Nil	Nil	Nil	(₹ 5,364)	0.01	0.01
5. Customer Relationship	7.54	Nil	Nil	Nil	(0.51)	7.03	3.37	2.42	Nil	Nil	(0.51)	5.28	1.75	4.17
6. Suppliers Agreement	Nil	Nil	17.78	Nil	Nil	17.78	Nil	2.22	Nil	Nil	Nil	2.22	15.56	Nil
TOTAL	24.00	17.58	1,414.50	Nil	(0.54)	1,455.54	3.68	40.20	8.57	Nil	(0.50)	51.95	1,403.59	20.32

Notes :

I. The group has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

II. Refer Note no.58 for acquisition of subsidiary

III. Refer note no.42 for information on other Intangible Assets pledged as security by the group.

Note - 5 B : INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in crore

Particulars	As at 01.04.2017	Additions during the year	Acquisition of subsidiary	Transfer during the year	As at 31.03.2018
Intangible assets under development	13.48	**5.24**	**Nil**	**15.56**	**3.16**

₹ in crore

Particulars	As at 01.04.2016	Additions during the year	Acquisition of subsidiary	Transfer during the year	As at 31.03.2017
Intangible assets under development	Nil	2.99	12.58	2.09	13.48

Notes :

I. It represents the amount spent for Chilhati mines at Arasmeta plant of Indian Subsidiary.

II. Refer Note no.58 for acquisition of subsidiary.

Note - 6 : NON-CURRENT FINANCIAL ASSETS : INVESTMENTS IN ASSOCIATE & JOINT VENTURE

₹ in crore

Numbers		Particulars	As at 31.03.2018	As at 31.03.2017
(A) Investment in associate at cost				
31.03.2018	31.03.2017	**Investment in equity instruments - Unquoted - fully paid**		
49% Share	49% Share	Investment in FRM Trona Fuels LLC (Refer note no. 48 and 63)	**2.26**	2.43
		Total - A	**2.26**	2.43
(B) Investment in joint venture at cost				
Investment in equity instruments - Unquoted - fully paid				
861,300	861,300	Wardha Vaalley Coal Field Private Limited face value of ₹ 10 each (Refer notes no.II, III below, 48,58 and 63)	**0.86**	0.86
		Less : Provision for diminution in value	**0.86**	0.86
		Total - B	**Nil**	Nil
		Total (A+B)	**2.26**	2.43

Aggregate amount of quoted investments	**Nil**	Nil
Aggregate market value of quoted investments	**Nil**	Nil
Aggregate amount of unquoted investments	**3.12**	3.29
Aggregate amount of impairment in value of investments	**0.86**	0.86

Notes :

I. Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note no.49 for detailed disclosure on the fair values.

II. The Ministry of Coal had allotted a coal block in the state of Maharashtra to a consortium in which the group is a member. The group plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture Company incorporated in India as a special purpose vehicle. The group's ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).

III. In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) company has been show caused for allegedly not achieving the progress milestones in the development of the mine. Deallocation of the coal block has been challenged before the Hon'ble Delhi High Court and the matter is sub-judice. The guarantees given by the JV has also been sought to be invoked but the same has been stayed by the Hon'ble Delhi High Court subject to the guarantee being kept alive. Subsequently such guarantee furnished by the group has been cancelled (Refer note no. 43)

Note - 7 : NON-CURRENT FINANCIAL ASSETS : INVESTMENTS

₹ in crore

Numbers		Particulars	As at 31.03.2018	As at 31.03.2017
(A) Investment in Quoted Equity instruments				
Investments in equity shares (fully paid up) accounted through other comprehensive income				
31.03.2018	**31.03.2017**	**Quoted equity instruments**		
7,090	9,985	Reliance Industries Ltd. face value of ₹ 10 each	**0.62**	1.32
353,053	353,053	Gujarat Heavy Chemicals Ltd. face value of ₹ 10 each	**9.12**	9.37
155,600	429,794	Tamilnadu Petro Products Ltd. face value of ₹ 10 each	**0.76**	1.58
225,800	225,800	Torrent Pharmaceuticals Ltd. face value of ₹ 5 each	**28.22**	35.06
		Total - A	**38.72**	47.33
(B) Investment in Un-quoted equity instruments				
Investments in un-quoted equity shares (fully paid up) accounted through other comprehensive income				
57,020	57,020	The Kalupur Comm.Co.op.Bank Ltd. face value of ₹ 25 each	**1.84**	1.88
2,200,000	2,200,000	Gold Plus Glass Industry Ltd. face value of ₹ 10 each	**5.06**	13.97
100,000	100,000	Enviro Infrastructure Company Ltd. face value of ₹ 10 each	**0.61**	0.93
1,000,000	1,000,000	Inlac Granston Ltd. face value of ₹ 10 each	**1.00**	1.00
		Less : Provision for diminution in value	**1.00**	1.00
1,925,924	1,925,924	VS Lignite Power Private Ltd. face value of ₹ 10 each (Refer note no.58)	**1.93**	1.93
		Less : Provision for diminution in value	**1.93**	1.93
		Total - B	**7.51**	16.78
(C) Un-quoted debt instruments through Profit & Loss				
4,828,298	4,828,298	VS Lignite Power Private Ltd. face value of ₹ 10 each (Refer note no.58)	**4.83**	4.83
		Less : Provision for diminution in value	**4.83**	4.83
		Total - C	**Nil**	Nil
(D) Un-quoted government securities at amortised cost				
		National savings certificates lodged with various authorities	**0.07**	0.06
		Kisan vikas patra lodged with various authorities (Refer note no.42)	**(₹ 44,935)**	(₹ 41,447)
		Total - D	**0.07**	0.06
		Total (A+B+C+D)	**46.30**	64.17

Aggregate amount of quoted investments	**38.72**	47.33
Aggregate market value of quoted investments	**38.72**	47.33
Aggregate amount of unquoted investments	**15.34**	24.60
Aggregate amount of impairment in value of investments	**7.76**	7.76

Note :

Investments at fair value through other comprehensive income reflect investment in quoted and unquoted equity securities. Refer note no. 49 for detailed disclosure on the fair values.

Note - 8 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good		
Inter corporate deposit	**1.57**	2.19
	1.57	2.19
Doubtful		
Loans to related party (Refer note no.II below and 48)	**1.11**	1.07
Less: Provision for doubtful loans	**1.11**	1.07
	Nil	Nil
Total	**1.57**	2.19

Notes:

I. Refer note no.50 for credit risk, liquidity risk and market risk for non current financial assets-loans.

II. Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.

III. Refer note no.42 for information on assets pledged as security by the group.

Note - 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Security deposits	**1.62**	1.73
Bank deposit with original maturity more than 12 months	**1.50**	1.40
	3.12	3.13
Unsecured, considered good		
Industrial promotional assistance (Refer note no. III below)	**380.75**	228.78
Deposits with Govt. authorities and Others	**134.43**	128.81
	515.18	357.59
Doubtful		
Deposits with Govt. authorities and Others	**4.90**	4.72
Less: Provision for doubtful deposits	**4.90**	4.72
	Nil	Nil
Total	**518.30**	360.72
Notes : I. Earmarked balances with various Statutory Authorities	**1.50**	1.40

II. Refer Note No.50 for credit risk, liquidity risk and market risk for non current financial assets-others.

III. The Group is entitled to Industrial Promotional Assistance related to the Mejia Cement Plant of 75% of the VAT and CST paid by it, for a period of 12 years, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Accordingly, the Group has accrued such fiscal incentive in its books (disclosed in note 32). However, due to the significant delays in processing of such incentive claims, the Group filed a writ petition against the Government during the year in the Honourable High Court of Kolkata. Based on advice of external legal counsel, the Group is confident that such accrued fiscal incentive is fully recoverable.

IV. Refer note no. 42 for information on assets pledged as security by the group.

Note - 10 : OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good		
Capital advances	**132.17**	83.94
Balance with statutory authorities	**Nil**	0.81
Advances recoverable	**0.21**	0.33
Advance income tax (net)	**159.79**	146.53
Prepaid expenses	**0.74**	1.28
	292.91	232.89
Doubtful		
Capital advances	**1.26**	1.26
Less: Provision for doubtful advances	**1.26**	1.26
	Nil	Nil
Total	**292.91**	232.89

Note :
Refer note no. 42 for information on assets pledged as security by the group.

Note - 11 : INVENTORIES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Raw materials & Packaging materials (includes stock with third party)	**366.69**	311.50
Raw materials & Packaging materials in transit	**26.64**	142.32
Total - A	**393.33**	453.82
Work-in-progress	**193.17**	211.90
Work-in-progress in transit	**11.30**	8.55
Total - B	**204.47**	220.45
Finished goods	**414.20**	414.50
Finished goods in transit	**51.29**	47.60
Total - C	**465.49**	462.10
Stock-in-trade (Traded Goods)	**2.49**	12.10
Stock-in-trade (Traded Goods) in transit	**1.69**	Nil
Total - D	**4.18**	12.10
Stores and spares (includes stock with third party)	**552.34**	499.37
Stores and spares in transit	**0.41**	2.33
Total - E	**552.75**	501.70
Fuels	**185.24**	135.05
Fuels in transit	**124.07**	50.48
Total - F	**309.31**	185.53
Total (A+B+C+D+E+F)	**1,929.53**	1,835.70

Notes :

I. Refer significant accounting policy Sr. no. 1 (III) (N) for inventory.

II. Write-downs of inventories to net realisable value accounted as at March 31, 2018 ₹ 19.06 crore (p.y. ₹ 21.47 crore) were recognised as an expense during the year and included in 'changes in value of inventories of work-in- progress, stock-in-trade and finished goods' in consolidated statement of profit and loss.

III. Refer note no. 42 for information on Inventory pledged as security by the group.

Note - 12 : CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in crore

Units		Particulars	As at 31.03.2018	As at 31.03.2017
Investment in mutual fund at fair value through profit and loss				
31.03.2018	31.03.2017	**Unquoted mutual funds**		
Nil	1,779	Reliance Liquid Fund face value of ₹ 1000 each	**Nil**	0.70
253,817	2,167	SBI Premier Liquid Fund face value of ₹ 1000 each	**69.15**	0.55
Nil	3,783,533	ICICI Pru Institutional Liquid Plan - SI Growth face value of ₹ 100 each	**Nil**	90.86
Nil	190,682	HDFC Liquid Fund - Growth face value of ₹ 1000 each	**Nil**	61.01
Nil	230,761	Tata Liquid Fund - Regular Plan - Growth face value of ₹ 1000 each	**Nil**	68.99
Nil	1,542,456	Birla Cash Plus- IP - Growth face value of ₹ 100 each	**Nil**	40.18
Nil	154,759	SBI Premiur Liquid Fund - Super Institutional - Growth face value of ₹ 1000 each	**Nil**	39.40
395,047	176,894	DSP Blackrock Liquidity Fund- face value of ₹ 1000 each	**98.18**	41.01
Nil	382,461	UTI Money Market - IP - Growth face value of ₹ 1000 each	**Nil**	69.49
2,337,516	Nil	ICICI Prudential Liquid Plan - Dir Growth face value of ₹ 100 each	**60.11**	Nil
2,925,157	Nil	ICICI Prudential Savings Fund - Dir - Growth face value of ₹ 100 each	**79.03**	Nil
39,173,235	Nil	HDFC F R I F - STF - WP - Dir - Growth face value of ₹ 10 each	**119.02**	Nil
74,406	Nil	Tata Ultra Short Term Fund - Dir - Growth face value of ₹ 1000 each	**19.77**	Nil
583,637	Nil	Aditya Birla Sun Life Savings Fund - Dir - Growth face value of ₹ 100 each	**20.07**	Nil
324,828	Nil	SBI Treasury Advantage Fund - Dir - Growth face value of ₹ 1000 each	**64.26**	Nil
26,296.723	Nil	UTI Floating Rate Fund - STP - Dir - Growth face value of ₹ 1000 each	**7.65**	Nil
670,591	Nil	Kotak Low Duration Fund - Dir - Growth face value of ₹ 1000 each	**146.92**	Nil
32,212,680	Nil	Reliance Medium Term Fund - Dir - Growth face value of ₹ 10 each	**119.84**	Nil
221,883	Nil	Invesco India Medium Term Bond Fund-Dir-Gr face value of ₹ 1000 each	**40.37**	Nil
		Total of Unquoted mutual funds	**844.37**	412.19

Aggregate amount of unquoted investments	**844.37**	412.19
Aggregate amount of impairment in value of investments	**Nil**	Nil

Note:

I. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.

II. Refer note no.42 for information on assets pledged as security by the group.

Note - 13 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured, considered good	**189.45**	134.90
Unsecured, considered good	**1,114.12**	1,103.22
Unsecured, considered good from related parties (Refer note no.48)	**5.54**	21.91
Unsecured, considered doubtful	**67.46**	58.05
	1,187.12	1,183.18
Less: Provision for doubtful	**67.46**	58.05
Total	**1,309.11**	1,260.03

Notes :

I. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.

II. Refer note no.42 for Trade Receivables pledged as security by the group.

Note - 14 : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents		
Balance with banks		
- In current accounts	**210.88**	625.67
- In deposits with original maturity of less than three months	**10.00**	21.61
Cheques, drafts on hand	**5.59**	85.61
Cash on hand	**0.58**	0.74
Total	**227.05**	733.63

Note :

Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.

Note - 15 : CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Other bank balances		
(a) In deposit accounts (with original maturity more than 3 months but less than 12 months)	**541.64**	19.54
(b) Unclaimed dividend account	**Nil**	0.07
(c) Secured premium notes money received and due for refund	**0.14**	0.14
(d) Equity share capital reduction balance	**0.35**	0.35
(e) Preference share capital redemption balance	**0.32**	0.32
(f) Collateral for disputed indirect tax cases	**5.18**	5.18
Total	**547.63**	25.60

Notes :

I. Earmarked balances with Banks	**0.40**	0.40
II. Earmarked balances with various Statutory Authorities	**25.30**	24.24
III. Earmarked balances with various Tender Authorities	**0.04**	0.08
IV. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.		

Note - 16 : CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured, Considered good		
Inter corporate deposit (Refer Note I below)	**8.04**	17.83
Unsecured, Considered good		
Loans & advances to employees	**3.68**	4.78
Loans & advances to others	**36.80**	47.64
Unsecured, Considered doubtful		
Loans & advances to others	**0.17**	0.17
Less : Provision for doubtful loans & advances	**0.17**	0.17
	Nil	Nil
Unsecured, Considered good		
Inter corporate deposit to others	**19.40**	6.96
Unsecured, Considered doubtful		
Inter corporate deposit to others	**1.71**	1.71
Less : Provision for doubtful inter corporate deposit	**1.71**	1.71
	Nil	Nil
Total	**67.92**	77.21

Notes :

I. Market value of security received for Inter corporate deposits as at ₹ 8.04 crore (p.y. ₹ 23.97 crore).

II. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.

III. Refer note no.42 for information on assets pledged as security by the group.

Note - 17 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured, Considered good		
Security deposits	**6.35**	6.44
Income receivable	**5.03**	1.32
Interest accrued on fixed deposits	**0.58**	0.83
Deposits with Govt. authorities and others	**107.76**	99.48
Other receivable	**2.92**	2.34
Other receivable from related parties (Refer note no.48)	**1.08**	1.20
Industrial promotional assistance	**27.74**	120.36
Total	**151.46**	231.97

Notes :

I. Refer note no.50 for credit risk, liquidity risk and market risk for current financial assets.

II. Refer note no.42 for information on assets pledged as security by the group.

Note - 18 : OTHER CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Advances to suppliers - related parties (Refer note no.48)	**Nil**	3.89
Advances to suppliers	**34.08**	97.95
Balance with statutory authorities	**77.68**	163.77
Advances recoverable	**87.22**	62.78
Other receivables	**3.54**	5.66
Prepaid expenses	**34.91**	30.08
Total	**237.43**	364.13

Note:

Refer note no. 42 for information on assets pledged as security by the group.

Note - 19 : EQUITY SHARE CAPITAL

₹ in crore

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number of shares	₹	Number of shares	₹
AUTHORISED				
Equity shares of ₹ 5 each	**1,461,000,000**	**730.50**	1,461,000,000	730.50
6% Redeemable non cumulative non convertible preference shares of ₹ 100 each	**1,000,000**	**10.00**	1,000,000	10.00
6% Redeemable non cumulative non convertible preference shares of ₹ 1 each	**250,000,000**	**25.00**	250,000,000	25.00
5% Redeemable non cumulative non convertible preference shares of ₹ 1 each	**100,000,000**	**10.00**	100,000,000	10.00
		775.50		775.50
ISSUED AND SUBSCRIBED				
Equity shares of ₹ 5 each	**146,075,130**	**73.04**	146,075,130	73.04
FULLY PAID UP				
Equity shares of ₹ 5 each	**146,075,130**	**73.04**	146,075,130	73.04
Total	**146,075,130**	**73.04**	146,075,130	73.04

Note - 19 : EQUITY SHARE CAPITAL

I) The Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the year.

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number of shares	(₹ in crore)	Number of shares	(₹ in crore)
Opening Balance	**146,075,130**	**73.04**	146,075,130	73.04
Closing Balance	**146,075,130**	**73.04**	146,075,130	73.04

II) Rights, preferences and restrictions attached to equity shares

The Parent Company has one class of equity shares having par value of ₹ 5/- per share. Each member is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the members in the ensuing Annual General meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amount, in proportion to their shareholding.

III) The details of Shareholders of Parent company holding more than 5% of Shares

Particulars	As at 31.03.2018		As at 31.03.2017	
	No. of shares held *	% of Total paid up Equity Share Capital	No. of shares held *	% of Total paid up Equity Share Capital
Equity shares				
Dr. Karsanbhai K. Patel	**5,67,65,225**	**38.86**	5,67,65,225	38.86
Smt. Shantaben K. Patel	**2,76,18,401**	**18.90**	2,76,18,401	18.90
Shri Rakesh K. Patel	**3,47,44,124**	**23.79**	3,47,44,224	23.79
Shri Hiren K. Patel	**2,69,47,180**	**18.45**	2,69,47,280	18.45

*Includes equity shares held jointly and/or as trustee of trust.

IV) Shares alloted as fully paid up without payment being received in cash during the period of five year immediately preceding 31.03.2018 being the date of Balance Sheet.

2,40,58,730 new equity shares of ₹ 5/- each allotted consequent upon sanction of Composite Scheme of Arrangement in the nature of Amalgamation and Demerger during F.Y. 2015-16.

Note - 20 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Capital Reserve		
Opening balance	**365.50**	328.17
Add : Acquisition of subsidiary	**Nil**	37.33
Closing balance	**365.50**	365.50
Equity Security Premium		
Opening balance	**1,356.37**	29.81
Add : Acquisition of subsidiary	**Nil**	1,326.56
Less: Share issue expense	**13.53**	Nil
Closing balance	**1,342.84**	1,356.37
Capital Redemption Reserve		
Opening balance	**65.68**	32.35
Add : Acquisition of subsidiary	**Nil**	23.33
Add : Transferred from retained earnings	**Nil**	10.00
Closing balance	**65.68**	65.68
Debenture Redemption Reserve		
Opening balance	**295.14**	40.53
Add : Transferred from retained earnings	**597.11**	268.83
Less: Transfer to general reserve	**14.41**	14.22
Closing balance	**877.84**	295.14
Amalgamation Reserves		
Opening balance	**2.53**	Nil
Add : Acquisition of subsidiary	**Nil**	2.53
Closing balance	**2.53**	2.53
General reserve		
Opening balance	**2,019.42**	1,915.20
Add : Acquisition of subsidiary	**Nil**	90.00
Add : Transferred from debenture redemption reserve	**14.41**	14.22
Closing balance	**2,033.83**	2,019.42
Non cash contribution from share holders		
Opening balance	**Nil**	1.17
Less: Transfer to retained earnings	**Nil**	1.17
Closing balance	**Nil**	Nil
Statutory Reserve		
Opening balance	**0.01**	Nil
Add : Acquisition of subsidiary	**Nil**	0.01
Closing balance	**0.01**	0.01

Note - 20 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Other Comprehensive Income		
Opening balance	**55.56**	46.44
Add : Acquisition of subsidiary	**Nil**	0.06
Add : Equity instruments through other comprehensive Income	**0.03**	14.17
Less : Remeasurement of defined benefit plans	**11.88**	5.11
Closing balance	**43.71**	55.56
Currency Fluctuation Reserve		
Opening balance	**268.69**	306.41
Add/(Less) : Addition during the year	**7.33**	(37.72)
Closing balance	**276.02**	268.69
Cash Flow Hedge Reserve		
Opening balance	**(0.06)**	Nil
Less : Acquisition of subsidiary	**Nil**	(0.09)
Add : Addition during the year	**0.06**	0.03
Closing balance	**Nil**	(0.06)
Retained Earnings		
Opening balance	**4,913.26**	2,080.25
Add : Acquisition of subsidiary	**Nil**	2,471.97
Add : Retained earnings during the year	**898.97**	638.70
Add: Transfer from non cash contribution from shareholders	**Nil**	1.17
Less: Transfer to capital redemption reserve	**Nil**	10.00
Less: Transfer to debenture redemption reserve	**597.11**	268.83
Closing balance	**5,215.12**	4,913.26
Total	**10,223.08**	9,342.10

Notes :

Description of nature and purpose of each reserve:

I. Capital reserve

The excess of net assets taken over the cost of consideration paid is treated as capital reserve at time of amalgamation/demerger.

II. Equity security premium

The amount received in excess of face value of the equity shares is recognised in equity security premium.

III. Capital Redemption Reserve

It represents reserve created on buy back of equity shares and redemption of preference shares. It is a non distributable reserve.

IV. Debenture Redemption Reserve

The group is required to create a debenture redemption reserve out of the profits for redemption of debentures.

V. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

VI. **Non cash contribution from shareholders**

It represent difference between face value of preference shares and fair value of preference shares.

VII. **Statutory reserve**

It represents transfer of profits in accordance with RBI Act for NBFC companies. These companies were amalgamated with the parent company. The same is transferred to general reserve.

VIII. **Other comprehensive income**

a) The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through Other Comprehensive Income.

b) The remeasurement gain/(loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.

IX. **Cash Flow Hedge Reserve**

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast purchase. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedge are effective; the change in fair value of hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when hedged item affects profit or loss.

X. **Retained earnings**

Retained earnings are the profits that the group has earned till date less any transfer to other reserves, dividends or other distributions to shareholders.

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Debentures		
Non-convertible debentures (Refer note no. I below)	**3,859.29**	6,025.11
Term Loans from Bank		
Term Loans from Banks (Refer note no. II below)	**1,317.16**	1,548.49
Term Loan from Other		
Loan from Gujarat Housing Board (Refer note no. III below)	**(₹ 8,083)**	(₹ 8,083)
Unsecured		
Non-convertible debentures (Refer note no. IV below)	**1,486.60**	Nil
Loan from directors -related parties (Refer note no. V below & 48)	**10.00**	478.99
Inter corporate deposit from related parties (Refer note no. VI below & 48)	**Nil**	546.58
Total	**6,673.05**	8,599.17

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Notes :

₹ in crore

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	**Current**	Non Current	Current
I.(A)	8.66% Secured Listed Non Convertible Debentures Series D of face value of ₹ 10 lacs each.	**778.77**	**3.47**	774.02	3.24
	(a) It is redeemable at par on 14.09.2021. Effective interest rate is 9.58%.				
	(b) The Secured Rated Listed - NCD Series D is secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Indian Subsidiary in respect of and over the fixed assets including plant and machinery,equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari-passu charge over the current assets including cash, receivables, stocks and bank accounts.				
(B)	7.90% Secured Listed Rated Redeemable Non Convertible Debentures Series III of face value of ₹ 10 lacs each.	**999.61**	**6.71**	999.43	6.71
	(a) It is redeemable at par on 28.02.2020. Effective interest rate is 7.92%.				
	(b) It is secured by first pari-passu charge by way of hypothecation on whole of movable plant and machineries and first ranking pari-passu charge by way of mortgage on immovable property including all plants, machineries and buildings fixed to the land of Parent company's division at Mandali Ta. & Dist : Mehsana, Alindra Ta. Savli, Dist. Vadodara and Cement division at Nimbol. Ta : Jaitaran, Dist : Pali, Rajasthan				
(C)	8.57% Secured Listed Non Convertible Debentures Series C of face value of ₹ 10 lacs each.	**784.91**	**3.44**	779.90	3.21
	(a) It is redeemable at par on 14.09.2020. Effective interest rate is 9.45%.				
	(b) The Secured Rated Listed - NCD Series C is secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Indian Subsidiary in respect of and over the fixed assets including plant and machinery,equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari-passu charge over the current assets including cash, receivables, stocks and bank accounts.				
(D)	8.95% Secured Redeemable Non Convertible Non Cumulative Debentures series E of face value of ₹ 10 lacs each	**59.98**	**4.53**	59.97	4.53
	(a) It is redeemable at par on 28.05.2019. Effective interest rate is 8.98%.				
	(b) It is secured by first pari-passu charge on building and specified immovable plant and machineries both present and future of the Parent Company's division situated at Alindra, District Vadodara, Gujarat.				

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Notes :

₹ in crore

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	**Current**	Non Current	Current
(E)	8.47% Secured Listed Non Convertible Debentures Series B of face value of ₹ 10 lacs each.	**1,236.02**	**5.34**	1,227.80	4.96
	(a) It is redeemable at par on 14.09.2019. Effective interest rate is 9.31%.				
	(b) The Secured Rated Listed - NCD Series B is secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Indian Subsidiary in respect of and over the fixed assets including plant and machinery,equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari-passu charge over the current assets including cash, receivables, stocks and bank accounts.				
(F)	8.37% Secured Listed Non Convertible Debentures Series A of face value of ₹ 10 lacs each.	**Nil**	**1,150.86**	1,138.04	4.51
	(a) It is redeemable at par on 14.09.2018. Effective interest rate is 9.18%.				
	(b) The Secured Rated Listed - NCD Series A is secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Indian Subsidiary in respect of and over the fixed assets including plant and machinery,equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari-passu charge over the current assets including cash, receivables, stocks and bank accounts.				
(G)	(a) 7.95% Secured Listed Rated Redeemable Non Convertible Debentures Series II of face value of ₹ 10 lacs each is redeemable at par on 09.09.2018. Effective interest rate is 8.22%.	**Nil**	**516.45**	493.27	21.74
	(b) 7.95% Secured Listed Rated Redeemable Non Convertible Debentures Series I of face value of ₹ 10 lacs each is redeemable at par on 07.09.2018. Effective interest rate is 8.31%.	**Nil**	**516.50**	492.70	22.21
	(c) The Secured Listed Rated - NCD Series-I and Series-II as above are secured by first pari-passu charge by way of (i) hypothecation of whole of the movable plant and machinery of the Parent Company's cement division situated at Village Nimbol, Rajasthan and (ii) Mortgage of immovable property including all plants, machineries and buildings fixed to the land (immovable property) situated, lying and being at Mouje: Nimbol, Dungarnagar, Sinla, Jaitaran Taluka : Jaitaran, in the state of Rajasthan.				

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.		Particulars	As at 31.03.2018		As at 31.03.2017	
			Non Current	**Current**	Non Current	Current
(H)	(a)	8.92% Secured Redeemable Non Convertible Non Cumulative Debentures series D of face value of ₹ 10 lacs each is redeemable at par on 28.05.2018. Effective interest rate is 8.95%.	**Nil**	**64.51**	59.98	4.52
	(b)	8.90% Secured Redeemable Non Convertible Non Cumulative Debentures series C of face value of ₹ 10 lacs each is redeemable at par on 28.05.2017. Effective interest rate is 8.93%.	**Nil**	**Nil**	Nil	64.50
	(c)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures Series C and D are secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company both present and future situated at Alindra, District Vadodara, Gujarat.				
II. (A)	(a)	Term loan is repayable in 10 years starting from 30.09.2016 on quarterly basis. During first & second year 3%, third & fourth year 8% and fifth to tenth year 13% of term loan amount. Effective interest rate is 1 year MCLR+0.20%	**1,317.16**	**101.25**	1,418.48	56.32
	(b)	The Term loan from bank are secured by (a) First pari-passu charge on the whole of the movable plant and machinery of the Parent Company be brought into or upon or be stored or be in or about of the group's factories, premises and godowns situated at: (i) Mandali (including Ambaliyasan and Baliyasan), District: Mehsana, Gujarat, (ii) Chhatral, District: Gandhinagar, Gujarat, (iii) Moraiya, District: Ahmedabad, Gujarat, (iv) Alindra unit including Bhadarva and Chandranagar assets both situated at Taluka: Savli, District: Vadodara, Gujarat, (v) Dhank, District Rajkot, Gujarat, (vi) Kalatalav, District: Bhavnagar, Gujarat, (vii) Nandasan, Mahesana, Gujarat, (viii) Porbandar, District:Porbandar, Gujarat. All above plants located in the State of Gujarat and; (ix) cement division at Village Nimbol, Taluka: Jaitaran, District: Pali located in the State of Rajasthan. (b) first pari-passu charge on immovable properties including all plants, machineries and buildings fixed to the land (immovable property) of various plants at Mandali incl. Ambaliyasan and Baliyasan, Dhank, Chhatral, Moraiya, Alindra (incl. Bhadarva, Chandranagar and Khokhar), Bhavnagar (incl. Kalatalav, Narmad & Vartej), Porbandar, Nandasan all located in the State of Gujarat and Cement division at Village Nimbol, Taluka Jaitaran in the State of Rajasthan.				

Note - 21 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Non Current	Current	Non Current	Current
(B)	(a) Second revolving credit facility interest paid monthly at 1.25% over 1 month LIBOR, 2.9142% for the current year (2.0344 at March 31, 2017), due September 10, 2018. The facility allows the Foreign subsidiary to borrow ₹ 422.79 crore (USD 6.5 crore) or the borrowing base, as defined, through September 10, 2018 subject to certain financial covenants. Available borrowing as of March 31, 2018 and March 31, 2017 is ₹ 158.94 crore (USD 2.4 crore) and ₹ 244.67 crore (USD 3.77 crore) respectively.	**Nil**	**217.93**	130.01	Nil
	(b) Second revolving credit facility, secured by accounts receivable, inventory and property, plant and equipment of Foreign subsidiaries,				
III.	Loan from Gujarat Housing Board is secured by mortgage of related tenaments and will be paid as per existing terms and conditions.	**(₹ 8,083)**	**Nil**	(₹ 8,083)	Nil
IV.	(a) 9.50% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series- IV Tranche 1 redeemable at par on 06-07-2077 with call option can be exercised by the Parent Company at the end of call tenor i.e. 5 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 9.70%.	**893.95**	**63.01**	Nil	Nil
	(b) 9.65% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series- IV Tranche 2 redeemable at par on 06-07-2077 with call option can be exercised by the Parent Company at the end of call tenor i.e. 7 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 9.87%.	**297.04**	**21.34**	Nil	Nil
	(c) 10.15% Unsecured Subordinated, Rated, Listed Non Convertible Debentures Series- IV Tranche 3 redeemable at par on 06-07-2077 with call option can be exercised by the Parent Company at the end of call tenor i.e. 10 years from 06-07-2017 and annually every year thereafter. Effective interest rate is 10.40%.	**295.61**	**22.44**	Nil	Nil
V.	Unsecured loan from directors-related parties carry interest @ 8% p.a.(p.y. Interest @ 8% p.a.). The loan is repayable after 1 year	**10.00**	**Nil**	478.99	Nil
VI.	Unsecured inter corporate deposit from related parties (p.y. Interest @ 8% p.a.) The inter corporate deposit is repayable after 1 year	**Nil**	**Nil**	546.58	Nil
VII.	Refer note no.50 for credit risk, liquidity risk and market risk for non-current financial liabilities.				
VIII.	The carrying amount of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note no.42.				
IX.	The group has complied all covenants for loans.				

Note - 22 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Deferred sales tax liability (Refer note no. I below)	**0.01**	0.02
Liability for employee related expenses	**Nil**	0.75
Other liabilities	**50.97**	0.01
Trade Deposits	**147.25**	138.45
Total	**198.23**	139.23

Notes :

I. 0% Deferred sales tax loan is repayable in six yearly equal instalments of ₹ 0.01 crore starting from 01.04.2015.

II. Refer note no.50 for credit risk, liquidity risk and market risk for non-current financial liabilities.

Note - 23 : NON-CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Provisions		
Provision for employee benefits (Refer note no.47)	**88.12**	110.08
Decommissioning liability on mine reclamation (Refer note no.62)	**0.30**	1.71
Provision for death benefit (Refer note no.62)	**3.51**	3.50
Provision for contractor's charges (Refer note no.62)	**23.72**	21.34
Provision for environmental cleanup expenses (Refer note no.62)	**17.15**	17.88
Provision for mines reclamation expenses (Refer note no.62)	**29.14**	25.48
Total	**161.94**	179.99

Note - 24 : DEFERRED TAX LIABILITIES (Net)

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Deferred Tax Liabilities		
Property, plant and equipment and investment property (Refer note I.below)	**1,455.62**	1,531.93
Intangible assets	**0.68**	1.93
Others	**4.86**	Nil
Financial assets at fair value through OCI	**Nil**	1.93
Deferred tax liability on acquisition of subsidiary (Refer note no.58)	**964.62**	1,009.81
Financial assets at fair value through profit or loss	**4.51**	46.51
	2,430.29	2,592.11
Deferred Tax Assets		
MAT credit	**613.68**	520.22
Financial assets at fair value through OCI	**1.75**	Nil
Reversal of Deferred tax on reversal of Fair valued Assets	**238.16**	200.17
Others	**196.86**	310.59
	1,050.45	1,030.98
Net deferred tax liabilities	**1,379.84**	1,561.13

Note - 24 : DEFERRED TAX LIABILITIES (Net)

Movements in deferred tax liabilities

₹ in crore

Particulars	Property, plant and equipment and investment property	Intangible assets	MAT	Financial assets at fair value through profit or loss	Deferred tax liability on acquisition of subsidiary (Refer note no.58)	Reversal of Deferred tax on reversal of Fair valued Assets	Financial assets at fair value through OCI	Other items	Total
At 1st April, 2017	1,531.93	1.93	(520.22)	46.51	1,009.81	(200.17)	1.93	(310.59)	1,561.13
Charged/(credited)									
To profit or loss	**(76.31)**	**(1.25)**	**(93.46)**	**(42.00)**	**(45.19)**	**(37.99)**	**Nil**	**121.78**	**(174.42)**
To Equity	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**(5.81)**	**(5.81)**
To other comprehensive income	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**(3.68)**	**2.62**	**(1.06)**
At 31st March, 2018	**1,455.62**	**0.68**	**(613.68)**	**4.51**	**964.62**	**(238.16)**	**(1.75)**	**(192.00)**	**1,379.84**
At 1st April, 2016	721.31	2.68	(166.91)	30.59	Nil	(200.17)	0.35	(115.97)	271.88
on acquisition of subsidiary	634.41	Nil	(199.16)	Nil	1,009.81	Nil	Nil	(253.60)	1,191.46
Charged/(credited)									
To profit or loss	176.21	(0.75)	(154.15)	15.92	Nil	Nil	Nil	65.51	102.74
To other comprehensive income	Nil	Nil	Nil	Nil	Nil	Nil	1.58	(6.53)	(4.95)
At 31st March, 2017	1,531.93	1.93	(520.22)	46.51	1,009.81	(200.17)	1.93	(310.59)	1,561.13

Notes :

I. In FY 2014-15, Lafarge Aggregates and Concrete India Private Limited (LAC) got amalgamated with the Group and the Group had created Deferred Tax Asset (DTA) on unabsorbed depreciation of LAC. In FY 2017-18, NVCL has decided to withdraw its claim u/s 72A of the Income Tax Act, 1961 (IT Act) for unabsorbed depreciation and made a claim u/s 43 (6) of IT Act for addition of such unabsorbed depreciation to its tax block for FY 2014-15. Accordingly, DTA on unabsorbed depreciation has been reversed and DTA on increased tax block has been created during the year.

II. The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note - 25 : OTHER NON CURRENT LIABILIITES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Deferred revenue - Long term	**11.28**	13.31
Total	**11.28**	13.31

Note - 26 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Cash credit facility (Refer note no. I below)	**326.11**	383.16
Working Capital Demand Loan (Refer note no.I below)	**30.00**	Nil
Unsecured		
Commercial Paper (Refer note no. II below)	**Nil**	658.24
Total	**356.11**	1,041.40

Notes :

I. The credit facilities from banks ₹ 356.11 crore (p.y. ₹ 383.16 crore) are secured on (a) First pari-passu charge on stock, stock in process, semi finished and finished goods, book debts, current assets of the Parent company's divisions at (i) Mandali incl. Ambaliyasan, Baliyasan, dist. Mehsana, (ii) Chhatral, Dist. Gandhinagar, (iii) Trikampura, Dist. Ahmedabad, (iv) Soda ash project, Kalatalav, Bhavnagar, (v) Moraiya Dist. Ahmedabad, (vi) Alindra including Bhadarva, Dist. Baroda, (vii) Saurashtra Chemicals division of Nirma Limited, Birlasagar, Porbandar, salt works and lime stone mines at different site in Gujarat, (viii) depot at various places, (ix) Cement division at village Nimbol, Tal. Jaitaran, Dist. Pali, Rajasthan, (b) Second pari-passu charge on whole of movable plant & machinery situated at (i) Mandali (incl. Ambaliyasan, Baliyasan Dist. Mehsana), (ii) Chhatral, Dist. Gandhinagar, (iii) Moraiya Dist. Ahmedabad, (iv) Alindra including Bhadarva, Dist. Vadodara, (v) Dhank, Dist. Rajkot, (c) second pari-passu charge on the immovable assets at, (i) Mandali (incl. Ambaliyasan, Baliyasan Dist. Mehsana), (ii) Chhatral, Dist. Gandhinagar, (iii) Moraiya Dist. Ahmedabad, (iv) Alindra including Bhadarva, Dist. Vadodara, (v) Dhank, Dist. Rajkot. Effective cost is in the range of 8% to 10% p.a. (p.y. 8% to 10% p.a).

II. Effective cost of commercial paper is 6.36% p.a.(p.y. 6.52% p.a).

III. Refer note no.50 for credit risk, liquidity risk and market risk for current financial liabilities.

IV. The carrying amount of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note no.42.

V. The group has complied all covenants for loans.

Note - 27 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Trade payables	**1,267.93**	1,267.97
Total	**1,267.93**	1,267.97

Note :

Refer note no.50 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 28 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Secured		
Current maturity of non-convertible debentures (Refer note no.21)	**2,271.81**	140.13
Current maturity of term loans from Bank (Refer note no.21)	**101.25**	56.32
Current maturity of Long term debt (Refer note no.21)	**217.93**	Nil
Unsecured		
Current maturity of non-convertible debentures (Refer note no.21)	**106.79**	Nil
Current maturity of deferred sales tax liability (Refer note no.22)	**0.01**	0.01
Interest accrued but not due- short term	**2.10**	2.79
Unpaid dividends	**Nil**	0.07
Unclaimed matured non convertible debentures /secured premium notes and interest thereon	**0.14**	0.14
Liability for equity share capital reduction (Refer note no.I below)	**0.65**	0.65
Equity share capital reduction balance payable	**0.35**	0.35
Preference share capital redemption balance payable	**0.32**	0.32
Security deposits from dealers, transporters and others	**384.22**	368.86
Derivative Liabilities	**Nil**	0.08
Creditors for capital expenditure	**87.54**	106.99
Other payables	**77.96**	81.52
Total	**3,251.07**	758.23

Notes :

I. Balance payable on 32,584 equity shares kept in abeyance due to court matter.

II. Refer note no.50 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 29 : OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Advance received from customers	**77.50**	99.46
Statutory liabilities	**218.87**	172.67
Deferred revenue	**3.28**	4.18
Liability for employee related expenses	**56.55**	64.24
Liability towards discount to dealers	**219.49**	115.18
Others	**0.07**	7.68
Total	**575.76**	463.41

Note - 30 : CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for employee benefits (Refer note no.47)	**87.30**	56.42
Provision for indirect taxes/litigation (Refer note no.62)	**186.86**	194.96
Provision for mines reclamation expenses (Refer note no.62)	**1.94**	3.45
Decommissioning liability on mine reclamation (Refer note no.62)	**1.48**	Nil
Provision for dealer's discounts (Refer note no.62)	**91.21**	64.80
Provision for contractor's charges (Refer note no.62)	**2.12**	1.90
Provision for environmental cleanup expenses (Refer note no.62)	**0.52**	0.52
Total	**371.43**	322.05

Note - 31 : CURRENT TAX LIABILITIES (NET)

₹ in crore

Particulars	As at 31.03.2018	As at 31.03.2017
Income tax provision (net)	**273.70**	285.48
Total	**273.70**	285.48

Note - 32 : REVENUE FROM OPERATIONS

₹ in crore

Particulars	2017-2018	2016-2017
Revenue from operations		
Sale of Products (including excise duty) (Refer Note I below)		
Finished goods	**14,266.14**	10,721.41
Stock in trade	**34.86**	50.02
	14,301.00	10,771.43
Sale of Services		
Processing charges	**1.40**	0.68
Other operating revenues		
Duty drawback & other export incentives	**0.42**	0.98
Income from services	**30.00**	0.08
Investment Promotion Assistance	**51.56**	0.22
Recoveries of shortages & damaged cement	**1.25**	0.79
Industrial promotional assistance - fiscal incentive (Refer note II. below)	**75.37**	42.25
Scrap Sales	**19.01**	10.93
Total	**14,480.01**	10,827.36

Notes :

I. Sale of products for the current period are not comparable with previous period, since sales for the period 1 July 2017 to 31 March 2018 are net of Goods and Service Tax whereas excise duty formed part of expenses in the periods before transition to Goods and Service tax.

II. The Group has recognized as other operating revenue Industrial Promotional Assistance (IPA) of ₹ 49.58 Crore (p.y ₹ 26.94 Crore) related to Mejia Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of ₹ 25.79 crore (p.y. ₹ 15.31 Crore) has been recognised related to Chittorgarh Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.

Note - 33 : OTHER INCOME

₹ in crore

Particulars	2017-2018	2016-2017
Interest income	**46.44**	48.89
Interest income from financial assets at amortised cost	**8.67**	19.95
Dividend income from equity investments designated at fair value through other comprehensive income	**0.44**	0.55
Net gain on sale of investments	**32.53**	27.52
Net gain on financial assets designated at fair value through profit or loss	**13.90**	1.09
Profit on sale of Mutual Fund	**Nil**	32.79
Profit on Sale of Assets	**0.48**	0.23
Exchange Rate difference (net)	**Nil**	0.20
Claims and Refunds	**3.82**	10.34
Provision no longer required written back	**51.45**	22.59
Others	**23.06**	15.54
Total	**180.79**	179.69

Note - 34 : COST OF MATERIALS CONSUMED

₹ in crore

Particulars	2017-2018	2016-2017
Raw material and Packing material at the beginning of the year	**311.50**	241.53
Add: Purchases (net)	**3,418.39**	2,377.62
Total	**3,729.89**	2,619.15
Less : Raw material and Packing material at the end of the year	**366.69**	311.50
Cost of Raw material Consumed (Including Packaging Materials)	**3,363.20**	2,307.65

Note - 35 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in crore

Particulars	2017-2018	2016-2017
Inventories at the beginning of the year:		
Finished goods	**462.10**	547.00
Stock-in-trade	**12.10**	3.09
Work-in-progress	**220.45**	159.80
Total	**694.65**	709.89
Inventories at the end of the year:		
Finished goods	**465.49**	462.10
Stock-in-trade	**4.18**	12.10
Work-in-progress	**204.47**	220.45
Total	**674.14**	694.65
Changes in inventories of finished goods, stock-in-trade and work-in-progress	**20.51**	15.24

Note - 36 : EMPLOYEE BENEFITS EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Salaries and wages expenses	**911.47**	737.52
Contributions to provident and other funds (Refer note no.47)	**61.47**	46.21
Gratuity expenses (Refer note no.47)	**19.31**	8.37
Death Retirement expenses (Refer note no.47)	**0.43**	0.36
Leave compensation expenses (Refer note no.47)	**29.28**	43.33
Staff welfare expenses	**89.52**	68.16
Total	**1,111.48**	903.95

Note - 37 : FINANCE COSTS

₹ in crore

Particulars	2017-2018	2016-2017
Interest and finance charges on financial liabilities not at fair value through profit or loss	**879.70**	597.47
Interest and finance charges on financial liabilities at fair value through profit or loss	**Nil**	0.10
Other interest expense	**6.53**	6.57
Unwinding interest on assets retirement obligation	**0.08**	0.09
Less : Interest cost capitalised	**35.42**	81.56
Total	**850.89**	522.67

Notes:

I. The capitalisation rate used to determine the amount of borrowing cost to be capitalised is 8.35% (p.y. 9.45%) the weighted average interest rate applicable to the group's general borrowing during the year.

II. Refer note no.46 for capitalisation of expenses.

Note - 38 : DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Depreciation of property, plant and equipment (Refer note no.2)	**867.07**	489.31
Amortisation of intangible assets (Refer note no.5)	**79.09**	40.20
Depreciation on investment property (Refer note no.3)	**0.08**	0.04
Total	**946.24**	529.55

Note - 39 : OTHER EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Consumption of stores and spare parts	**464.51**	455.31
Power and fuel expenses	**2,592.97**	1,583.60
Excise duty provided on stocks	**(51.94)**	1.84
Processing charges	**28.53**	25.57
Rent expenses/ Lease Rent (Refer note no.45)	**142.12**	130.52
Repairs		
To building and roads	**22.61**	10.20
To machinery	**154.24**	103.42
To others	**27.60**	24.90
	204.45	138.52
Insurance expenses	**38.89**	34.09
Rates and taxes	**91.21**	104.04
Payments to auditors (Refer note no.57)	**3.69**	4.61
Directors' fees	**0.07**	0.07
Discount on sales	**14.60**	18.42
Commission on sales	**210.03**	116.69
Freight and transportation expenses	**2,550.45**	1,616.99
Sales tax / GST expenses	**7.36**	14.03
Advertisement expenses	**109.99**	63.50
Exchange fluctuation loss (net)	**0.24**	0.44
Loss on sale of assets	**0.12**	0.01
Donation (Refer note no.II below)	**8.99**	0.67
Sales promotion expenses	**34.18**	16.21
Assets written off	**0.82**	3.57
Provision for doubtful debts loans and advances	**10.99**	4.58
Bad debts written off	**Nil**	52.84
Corporate social responsibility expenses	**13.59**	12.46
Other expenses [Net of Transport Income ₹ 0.50 crore (p.y.₹ 2.82 crore)] (Refer note no.I below)	**537.60**	371.13
Total	**7,013.46**	4,769.71

Notes :

I. Includes prior period adjustments(net) ₹ 0.73 crore [p.y. ₹ (2.68) crore].

II. Donation includes ₹ 2 crore to Bhartiya Janta Party (p.y. nil) & ₹ 1 crore to Gujarat Pradesh Congress (p.y. nil)

Note - 40 : TAX EXPENSES

₹ in crore

Particulars	2017-2018	2016-2017
Current tax	**220.64**	176.67
Tax expenses relating to earlier year	**(49.19)**	(46.75)
MAT credit utilised/(entitlement)	**(54.04)**	(139.30)
MAT credit entitlement relating to earlier year	**(41.59)**	(46.76)
Deferred tax	**(29.57)**	286.40
Total	**46.25**	230.26

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

₹ in crore

Particulars	2017-2018	2016-2017
Enacted income tax rate in India	**34.608%**	34.608%
Profit before tax	**945.22**	868.96
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**327.12**	300.73
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Permanent disallowances	**4.44**	140.56
Deduction claimed under Income tax act	**(59.11)**	(19.47)
Other deductible expenses	**(104.94)**	(340.28)
MAT credit entitlement / (utilization)	**42.75**	111.18
Temporary differences having deferred tax consequences	**(135.97)**	Nil
Adjustment related to earlier years (Refer note no I & II below)	**(72.27)**	(46.75)
Disallowance of loss of amalgamating company	**Nil**	29.45
Increase in business loss carried forward	**Nil**	(11.96)
Effect of tax rate in USA	**(21.65)**	15.49
Tax exempted income	**(40.97)**	(102.03)
Deferred tax Expense (net)	**118.57**	66.28
Change in deferred tax rate	**13.33**	Nil
Other items	**(25.05)**	87.06
Total tax expense	**46.25**	230.26
Effective tax rate	**4.89%**	26.50%

Notes:

I. The Indian Subsidiary has, based on legal advice, re-evaluated certain positions about the allowability of certain expenses and entitlement to allowances and accordingly recomputed the brought forward losses and allowances resulting in an increased claim of ₹ 206.06 crore. The claims relating to the current year also consider and are based on the positions adopted by the Indian Subsidiary on the basis of such legal advice.

II. In the financial year 2014-15, on amalgamation of Lafarge Aggregates and Concrete India Private Limited (LAC), the Group had created deferred tax asset on the unabsorbed business losses of ₹ 93.62 crore. Based on tax advice sought, management has withdrawn its original claim under section 72A with respect to unabsorbed depreciation and re-computed the actual cost of the assets of LAC that were taken over as part of the merger in accordance with section 43(6) of the Act. However, out of abundant caution the deferred tax asset created on the business losses created in earlier years has been reversed to the tune of ₹ 32.72 crore as disclosed above.

III. For foreign Subsidiaries the provisions for income taxes are different than expected from applying statutory rates to pre tax income. The difference is predominately due to the impact resulting from the enactment of the Tax Cuts and Jobs Act (the "Tax Act") USA and permanent tax difference,primarily depletion and domestic production deduction.

IV. In calculation of tax expense for the current year and earlier years, the company had claimed certain deductions as allowable under Income Tax Act, which were disputed by the department and the matter is pending before tax authorities.

Note - 41 : STATEMENT OF OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars	2017-2018	2016-2017
(i) Items that will not be reclassified to profit or loss		
1. Equity Instruments through Other Comprehensive Income		
Gain/(Loss) on fair value of quoted investments	**(6.73)**	11.09
Gain/(Loss) on fair value of unquoted investments	**(9.28)**	3.49
Gain on sale of quoted investments	**0.80**	1.17
2. Remeasurement of defined benefit plans		
Actuarial gains and losses	**3.70**	(7.82)
Total (i)	**(11.51)**	7.93
(ii) Income tax relating to these items that will not be reclassified to profit or loss		
Deferred Tax impact on quoted investments	**1.91**	(1.23)
Deferred Tax impact on unquoted investments	**1.42**	(0.35)
Deferred Tax impact on actuarial gains and losses	**(3.67)**	2.71
Total (ii)	**(0.34)**	1.13
(iii) Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	**7.33**	(37.72)
Deferred gain on cash flow hedge	**0.09**	0.04
Total (iii)	**7.42**	(37.68)
(iv) Income tax relating to these items that will be reclassified to profit or loss		
Tax impact on cash flow hedge	**(0.03)**	(0.01)
Total (iv)	**(0.03)**	(0.01)
Total (i + ii + iii + iv)	**(4.46)**	(28.63)

Notes to the consolidated financial statements

Note - 42 :

A. Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

₹ in crore

	Assets description	31.03.2018	31.03.2017
I.	**Current Financial Assets**		
	First charge		
	A. Trade receivables	**1,306.57**	817.25
	B. Investment in mutual funds	**844.37**	412.19
	C. Other Current Financial Assets	**48.61**	6.21
	D. Bank deposits (lien with statutory authorities)	**20.56**	19.54
II.	**Current Assets**		
	First charge		
	A. Inventories	**1,919.18**	1,443.73
	B. Other Current Assets	**360.20**	213.46
	Total current assets pledged as security	**4,499.49**	2,912.38
III.	**Non-Current Financial Assets**		
	A. National savings certificate	**0.07**	0.06
	B. Bank deposits (lien with statutory authorities)	**1.50**	1.40
	C. Capital Advances	**25.62**	37.72
	D. Prepaid Expenses	**13.40**	0.01
	E. Other non financial current assets	**7.99**	Nil
IV.	**Property, Plant and Equipment**		
	First and Second charge		
	A. Plant and equipments	**7,540.75**	7,816.81
	B. Freehold land	**736.24**	720.59
	C. Buildings	**1,208.44**	1,190.83
	D. Mineral Reserves	**209.08**	209.52
	E. Other moveable assets	**24.26**	29.88
V.	**Capital work in progress**	**724.37**	204.58
VI.	**Intellectual Property Right**		
	Trade mark	**422.21**	471.80
	Total non-current assets pledged as security	**10,913.93**	10,683.20
	Total Assets Pledged as Security	**15,413.42**	13,595.58

B. Equity shares of ₹ 3,000 crore of Nuvoco Vistas Corporation Ltd, held by the parent company, are pledged in favour of IDBI Trusteeship Services Pvt.Ltd to secure debt of ₹ 4,000 crore of Nuvoco Vistas Corporation Ltd.

Notes to the consolidated financial statements

Note - 43 : Contingent liabilities not provided for in accounts

Contingent liabilities :

₹ in crore

	Particulars	As at 31.03.2018	As at 31.03.2017
A.	Claims against the group not acknowledged as debts		
1	For custom duty	**37.11**	35.19
2	For direct tax*	**2,570.65**	2,537.95
3	For sales tax	**120.58**	123.04
4	For excise duty and service tax [Appeals decided in favour of the group ₹ 4.20 crore] (p.y.: ₹ 1.11 crore)	**194.34**	177.54
5	For Entry Tax	**42.82**	36.98
6	Others	**94.70**	93.22
	Total	**3,060.20**	3,003.92
	*Income tax department has raised demands by making various additions / disallowances. The group is contesting demand, in appeals, at various levels. However, based on legal advice, the group does not expect any liability in this regard.		
7	Estimated amount of contracts, remaining to be executed, on capital account (Net of payment)	**778.29**	207.36
8	For letters of credit	**106.12**	160.78
9	For bank guarantee	**150.03**	171.99
10	Corporate guarantee of ₹ 95 crore (p.y. ₹ 95 crore) given by the group (refer note 1 below). Liability to the extent of outstanding balance.	**66.84**	78.63
11	Undertaking given to Hon'ble High court of Gujarat for dues payable to HDFC Bank regarding its claim against healthcare division, now demerged from the group and transferred to Aculife Healthcare Pvt. Ltd.	**Not ascertainable**	Not ascertainable
12	Claims against the group not acknowledged as debt-relating to land of cement plant.	**Not ascertainable**	Not ascertainable
13	The State of Chhattisgarh has filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps; Janjgir -Champa for alleged under-valuation of the properties, which the group acquired from Raymond Ltd. Against this, Raymond Ltd. has filed a Special Leave Petition before the Hon'ble Supreme Court, which has stayed the proceedings before the Board of Revenue.	**Not ascertainable**	Not ascertainable
14	The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Ltd. (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the group. The group has filed a Writ Petition in the Hon'ble High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.	**Not ascertainable**	Not ascertainable
	The group's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Nuvoco Vistas Corporation Ltd formerly known as ""Lafarge India Ltd."" and Raymond Ltd/TISCO.		

Notes:

1 The foreign subsidiary shipments through the San Diego and Long Beach, California ports require a minimum annual guaranty (MAG). The Port of San Diego requires that the foreign subsidiary ship a minimum amount of tons at a fixed wharfage charge through the port on an annual basis through expiration of the agreement. The Port of Long Beach requires that the group ship an annual minimum tonnage through the port at the basis rates. The San Diego port agreement expires in February 2019 and the Long Beach port agreement expires in May 2020. The foreign subsidiary recorded ₹ 10.81 crore and ₹ 10.69 crore in unfulfilled MAG commitments as of March 31, 2018 and 2017, respectively, which is included in accounts payable. Future MAG commitments on the San Diego and Long Beach ports through the respective contract expiration dates are ₹ 8.77 crore and ₹ 62.01 crore respectively.

Notes to the consolidated financial statements

2 The foreign subsidiary has various agreements with customs to sell specified amounts of sodium sulfate, soda ash, salt, and boron products over a period of 1 to 3 years at fixed sales prices and minimum quantities. Management does not anticipate any significant losses from these contracts.

3 In June 2012, the Competition Commission of India (CCI) passed an order levying a penalty of ₹ 490 crore on the group in connection with a complaint filed by the Builder Association of India against leading cement companies (including Nuvoco Vistas Corporation Ltd. formerly known as “Lafarge India Ltd.”) for alleged violation of certain provisions of the Competition Act, 2002. The Indian subsidiary filed an appeal before the COMPAT for setting aside the said Order of CCI. The Competition Appellate Tribunal (‘COMPAT’) granted stay on levying the penalty imposed on the Indian subsidiary by CCI against deposit of 10% of the penalty amount. In December 2015, the COMPAT finally set aside the said Order of CCI and remanded back to CCI for fresh adjudication of the issues and passing of fresh Order. It also allowed the Indian subsidiary to withdraw the amount of 10% deposit kept with the CCI. However, in August 2016 the case was reheard by CCI and it passed an Order levying a penalty of ₹ 490 crore on the Indian subsidiary. The Indian subsidiary had filed an appeal against the Order before the COMPAT. The COMPAT has granted a stay on the CCI Order against a deposit of 10% of the penalty amount, which has been deposited since. The matter pending with COMPAT has been transferred to the National Company Law Appellate Tribunal (NCLAT) and the appeal of the Indian subsidiary is pending before NCLAT. Based on advice of external legal counsel and the rights available with the Indian subsidiary, no provision is considered necessary.

4 Vide letter F.No.13016/49/2008-CA-I dated 15th/16th November, 2012, Ministry of Coal had de-allocated the Dahegaon Makardhokra IV Coal Block allocated to the Joint Venture Partner and had ordered invocation of bank guarantee of ₹ 2.56 crore. The said order was challenged by all joint venture partner, through separate writ petitions before Hon’ble High Court of Delhi and a stay was granted against invocation of bank guarantee. However, in view of Supreme Court order dated 25th August, 2014 and 24th September, 2014 in WP (Crl) No. 120/2012, the Hon’ble High Court of Delhi through its judgement dated 30th October, 2014, did not provide relief of cancellation of de-allocation of coal block and disposed of all the three writ petitions of JV partner with a direction to Ministry of Coal to take a decision in respect of each individual case whether bank guarantees ought to be invoked or released. In pursuance, Ministry of Coal vide its letter F.No.13016/17/2014-CA-I (VOL. III) dated 4th August, 2015 ordered invocation of Bank Guarantee of ₹ 2.56 crore which has been challenged by all JV partner through separate writ petitions before Hon’ble High Court of Delhi. High Court of Delhi through its order dated October 16,2015 and October 20, 2015 was pleased to grant stay against any coercive steps subject to Bank Guarantee being kept alive.

5 As of March 31, 2017, the foreign subsidiary has entered into supply contracts to purchase natural gas and coal. The purchase commitments have been for amounts to be consumed within the normal production process, and thus, the foreign subsidiary has determined that these contracts meet normal purchases and sales exceptions as defined under U.S. generally accepted accounting principles. As such, these contracts have been excluded from recognition within these financial statements until the actual contracts are physically settled. The purchase commitments for coal and natural gas are with one supplier for each and require the foreign subsidiary to purchase a minimum usage. Future minimum purchases remaining under the coal agreement are ₹ 74.69 crore through December 31, 2018. Future minimum purchases remaining under the gas agreement are ₹ 18.80 crore through March 31, 2019.

6 The group has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The group does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The group does not expect any reimbursements in respect of the above contingent liabilities.

7 In the ordinary course of business, the foreign subsidiary is involved in various legal and administrative proceedings. The foreign subsidiary establishes reserves for specific legal matter when it determines that the likelihood of an unfavourable outcome is probable and the loss is reasonably estimable. Management currently believes that resolving claims against us will not have a material impact on the liquidity, results of operations, or financial condition of the group. However, these matter are subject to inherent uncertainties and management’s view of these matter may change in the future.

8. The group is self-insured for certain employee health benefits (₹ 1.61 crore annually per employee with no annual aggregate) and workers compensation (₹ 4.83 crore per accident). Self-insurance

Notes to the consolidated financial statements

costs are accrued based upon the aggregate of the liability for reported claims and an estimated liability for claims incurred but not reported. The liability is included in current other accrued liabilities and other non current liabilities.

At March 31, 2018 and 2017, the group recorded a liability of ₹ 8.13 crore and ₹ 4.98 crore, respectively, in other accrued liabilities for self-insured medical costs. At March 31, 2018 and 2017, the group recorded a liability of ₹ 41.75 crore (₹ 7.76 crore classified in other accrued liabilities and ₹ 33.99 crore in other non current liabilities) and ₹ 47.98 crore (₹ 9.11 crore classified in other accrued liabilities and ₹ 38.87 crore in other non current liabilities), respectively, for self-insured worker's compensation costs.

Note - 44 :

During the year, foreign subsidiaries revised its threshold limit for capitalisation of major spares. The impact of the same is not material.

Note - 45 : Operating lease

The break-up of total minimum lease payments for operating lease due as on 31.03.2018, entered into by the group are as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Not later than one year	**80.61**	90.08
Later than one year and not later than five years	**116.27**	132.80
Later than five years	**34.71**	27.22
Lease payment recognised in Statement of Profit and Loss	**118.50**	104.64

Notes:

1 The group has taken various residential and commercial premises under operating leases. Further, certain arrangements entered by group meet criteria specified in Appendix C of Ind AS 17 and are classified as embedded operating leases.

2 A minimum of once during the life of the agreement, the group's railcar lease agreements require the group to maintain their leased railcars by abrasive blasting and subsequently painting the exterior. The agreements mature between 2018 and 2021, and the estimated remaining obligation as of March 31, 2018 to fulfill this requirement is ₹ 11.77 crore.

Note - 46 :

The following expenditures have been capitalised as part of fixed assets:

₹ in crore

Particulars	2017-2018	2016-2017
Employee cost	**7.35**	2.62
Power and fuel expenses	**0.98**	1.41
Finance Cost	**35.42**	81.56
Consultancy expenses	**6.22**	Nil
Other	**6.58**	0.65
Total	**56.55**	86.24

Note - 47 : Gratuity and other post employment benefit plans

The group operates post employment and other long term employee benefits defined plans as follows:

I. Defined Contribution plan

Contribution to Defined Contribution Plan recognised as expenses for the year are as under:

₹ in crore

Particulars	2017-2018	2016-2017
Employer's Contribution to Provident Fund	**24.72**	20.08
Employer's Contribution to Superannuation Fund	**11.01**	3.88

Notes to the consolidated financial statements

II. Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service to build up the final obligation. The obligation for leave encashment is recognised in the same manner as for gratuity.

₹ in crore

	Description	31.03.2018				31.03.2017			
		Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)
		(India)	**(India)**	**(India)**	**(Foreign)**	(India)	(India)	(India)	(Foreign)
A.	**Reconciliation of opening and closing balances of Defined Benefit obligation**								
a.	Obligation as at the beginning of the year	**113.56**	**31.72**	**3.91**	**27.75**	47.95	17.35	Nil	29.25
	Balance acquired on acquisition of subsidiary	**Nil**	**Nil**	**Nil**	**Nil**	52.19	Nil	3.73	Nil
b.	Current Service Cost	**9.04**	**9.94**	**0.09**	**17.44**	5.96	3.13	0.05	18.78
c.	Past Service Cost	**5.23**	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	Nil
d.	Interest Cost	**7.75**	**2.26**	**0.26**	**0.17**	5.36	1.24	0.13	0.30
e.	Actuarial Gain/(Loss)	**(3.40)**	**5.15**	**0.07**	**(9.74)**	9.35	11.86	0.14	4.58
f.	Benefits Paid	**(9.11)**	**(14.23)**	**(0.36)**	**(3.67)**	(7.25)	(1.86)	(0.14)	(24.58)
g.	Exchange rate difference	**Nil**	**Nil**	**Nil**	**0.13**	Nil	Nil	Nil	(0.58)
h.	Obligation as at the end of the year	**123.07**	**34.84**	**3.97**	**32.08**	113.56	31.72	3.91	27.75
B.	**Reconciliation of opening and closing balances of fair value of plan assets**								
a.	Fair Value of Plan Assets as at the beginning of the year	**68.58**	**Nil**	**Nil**	**Nil**	13.90	Nil	Nil	Nil
	Balance acquired on acquisition of subsidiary	**Nil**	**Nil**	**Nil**	**Nil**	53.58	Nil	Nil	Nil
b.	Interest Income	**3.91**	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	Nil
c.	Expected return on Plan Assets	**0.94**	**Nil**	**Nil**	**Nil**	1.04	Nil	Nil	Nil
d.	Actuarial Gain/(Loss)	**0.38**	**Nil**	**Nil**	**Nil**	1.54	Nil	Nil	Nil
e.	Employer's Contributions	**6.27**	**Nil**	**Nil**	**Nil**	5.08	Nil	Nil	Nil
f.	Benefits Paid	**(7.63)**	**Nil**	**Nil**	**Nil**	(6.56)	Nil	Nil	Nil
g.	Fair Value of Plan Assets as at the end of the year	**72.45**	**Nil**	**Nil**	**Nil**	68.58	Nil	Nil	Nil

₹ in crore

Description	31.03.2018				31.03.2017			
	Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)
	(India)	**(India)**	**(India)**	**(Foreign)**	(India)	(India)	(India)	(Foreign)
C. Reconciliation of fair value of assets and obligation								
a. Fair Value of Plan Assets as at the end of the year	**72.45**	**Nil**	**Nil**	**Nil**	68.58	Nil	Nil	Nil
b. Present Value of Obligation as at the end of the year	**(123.07)**	**(34.84)**	**Nil**	**(32.08)**	(113.56)	(31.72)	Nil	(27.75)
c. Amount recognised in the Balance Sheet	**(50.62)**	**(34.84)**	**Nil**	**(32.08)**	(44.98)	(31.72)	Nil	(27.75)
D. Investment Details of Plan Assets								
Bank balance	**Nil**	**Nil**	**Nil**	**Nil**	2%	Nil	Nil	Nil
Invested with Life Insurance Corporation of India	**100%**	**Nil**	**Nil**	**Nil**	98%	Nil	Nil	Nil
Invested with Life Insurance Corporation of India (due to acquisition of Indian subsidiary)	**Nil**	**Nil**	**Nil**	**Nil**	100%	Nil	Nil	Nil
E. Actuarial Assumptions								
a. Discount Rate (per annum)	**7.50% to 7.60%**	**7.50%**	**7.60%**	**2.85%**	7.10% to 7.25%	7.25%	7.10%	1.01%
b. Estimated Rate of return on Plan Assets (per annum)	**7.50% to 8.00%**	**Nil**	**8.00%**	**Nil**	7.25% to 8.00%	Nil	8.00%	Nil
c. Rate of escalation in salary (per annum)	**6.00% to 8.00%**	**6.00%**	**8.00%**	**4.00%**	6.00% to 8.00%	6.00%	8.00%	4.00%

F. **Expenses recognised during the year**

₹ in crore

Description	2017-2018				2016-2017			
	Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)
	(India)	**(India)**	**(India)**	**(Foreign)**	(India)	(India)	(India)	(Foreign)
Expenses recognised during the year								
(i) Current Service Cost	**9.04**	**9.94**	**0.09**	**17.44**	5.96	3.13	0.05	18.78
(ii) Interest Cost	**7.75**	**2.26**	**0.26**	**0.17**	5.36	1.24	0.13	0.30
(iii) Expected return on Plan Assets	**(0.94)**	**Nil**	**Nil**	**Nil**	(1.04)	Nil	Nil	Nil
(iv) Actuarial (Gain)/Loss	**(3.78)**	**5.15**	**0.07**	**(9.74)**	7.81	11.86	0.14	4.58
(v) Expense recognised during the year	**12.07**	**17.35**	**0.42**	**7.87**	18.09	16.23	0.32	23.66

Notes:

(i) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(ii) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the group's policy for management of plan assets.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ in crore

Particulars	**31.03.2018**							
	Increase				**Decrease**			
	Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	**Gratuity (Funded)**	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**
	(India)	**(India)**	**(India)**	**(Foreign)**	**(India)**	**(India)**	**(India)**	**(Foreign)**
Discount rate (0.5% to 1% movement)	**(6.56)**	**(3.29)**	**(0.16)**	**1.06**	**(0.26)**	**(2.92)**	**0.17**	**(1.14)**
Salary growth rate (0.5% to 1% movement)	**(0.74)**	**(2.92)**	**0.06**	**(1.12)**	**(6.26)**	**(3.29)**	**(0.06)**	**1.05**
Employee Turnover rate (1% movement)	**Nil**	**Nil**	**(0.07)**	**Nil**	**Nil**	**Nil**	**0.07**	**Nil**
Mortality pre Retirement	**Nil**	**Nil**	**(0.18)**	**Nil**	**Nil**	**Nil**	**0.19**	**Nil**

₹ in crore

Particulars	31.03.2017							
	Increase				Decrease			
	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)
	(India)	(India)	(India)	(Foreign)	(India)	(India)	(India)	(Foreign)
Discount rate (0.5% to 1% movement)	(0.16)	1.52	(0.18)	0.10	0.23	(1.67)	0.19	(0.10)
Salary growth rate (0.5% to 1% movement)	(0.48)	(1.68)	0.08	(0.10)	0.37	1.54	(0.07)	0.10
Employee Turnover rate (1% movement)	0.03	Nil	(0.08)	Nil	(0.03)	Nil	0.09	Nil
Mortality pre Retirement	Nil	Nil	(0.20)	Nil	Nil	Nil	0.22	Nil

Note:
Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to the consolidated financial statements

Note - 48 : Related party disclosures as per Ind AS 24

The names of related parties with relationship and transactions with them:

I. Relationship:

A. Promoters having Control over the group

Dr. Karsanbhai K. Patel, Smt. Shantaben K. Patel, Shri Rakesh K. Patel and Shri Hiren K. Patel are directly and indirectly having control/ joint control over the parent company.

B. Entities over which Promoters exercise control

Sr. No.	Name of the entity
1	Nirma Credit & Capital Pvt. Ltd
2	Nirma Chemical Works Pvt. Ltd
3	Navin Overseas FZC, UAE
4	Aculife Healthcare Private Ltd.

C. Joint Venture

Name of the entity	Country	Nature of holding	Ownership interest held
Wardha Vaalley Coal Field Private Ltd.	India	Indirect	19.14%

D. Associate

Name of the entity	Country	Nature of holding	Ownership interest held
FRM Trona Fuels LLC	USA	Indirect	49%
Trona Exports Terminals LLC*	USA	Indirect	

*Carrying value of investment is Nil.

E. Entities over which Promoter has Significant Influence

Sr. No.	Name of the entity
1	Shree Rama Multi-tech Ltd.
2	Nirma Education and Research Foundation
3	Manjar Discretionary Trust
4	Nirma University
5	S K Patel Family Trust

F. Key Management Personnel:

Particulars	Designation
Executive Directors	
Shri Hiren K. Patel	Managing Director
Shri Shailesh V. Sonara	Director (Environment and Safety)
Non Executive Directors	
Dr. Karsanbhai K. Patel	Chairman
Shri Rakesh K. Patel	Vice Chairman
Shri Pankaj R. Patel	Director
Shri Rajendra D. Shah (upto 17.01.2017)	Director
Shri Chinubhai R. Shah	Director
Shri Kaushik N. Patel	Director
Shri Vijay R. Shah	Director
Smt. Purvi A. Pokhariyal	Director
Other Key Management Personnel	
Shri Satish Shah (w.e.f. 10.11.2017)	Chief Financial Officer
Shri Rajendra J. Joshipara (upto 09.11.2017)	Chief Financial Officer
Shri Paresh Sheth	Company Secretary

Notes to the consolidated financial statements

G. Relatives of Key Management Personnel with whom transactions done during the said financial year:

Dr. Karsanbhai K. Patel

Shri Rakesh K. Patel

H. Relatives / Entities over which Directors have significant influence with whom transactions done during the said financial year:

Smt. Toralben K. Patel

Kamlaben Trust

Sarvamangal Trust

Vimlaben Trust

I. Key Management Personnel compensation:

₹ in crore

Particulars	31.03.2018	31.03.2017
Short-term employee benefits	**3.75**	4.23
Long-term post employment benefits	**0.12**	0.28
Total compensation	**3.87**	4.51

II. The following transactions were carried out with the related parties referred in above in the ordinary course of business (excluding reimbursement):

₹ in crore

A.	Entities over which promoters exercise control	31.03.2018	31.03.2017
1	Sale of finished goods/ services	**29.35**	85.40
	Navin Overseas FZC, UAE	**28.81**	13.70
	Nirma Chemical Works Pvt. Ltd	**0.13**	70.83
2	Purchase of materials	**138.93**	113.37
	Navin Overseas FZC, UAE	**138.73**	113.14
3	Redemption of preference shares	**Nil**	10.00
	Nirma Chemical Works Pvt. Ltd	**Nil**	10.00
4	Repayment of non convertible debentures	**Nil**	45.00
	Nirma Chemical Works Pvt. Ltd	**Nil**	45.00
5	Interest expenses	**11.56**	60.61
	Nirma Credit and Capital Pvt. Ltd.	**7.43**	16.55
	Nirma Chemical Works Pvt. Ltd.	**4.13**	44.06
6	ICD - taken	**20.00**	1,028.93
	Nirma Credit and Capital Pvt. Ltd	**Nil**	378.77
	Nirma Chemical Works Pvt. Ltd.	**20.00**	650.16
7	ICD - repaid	**566.58**	926.12
	Nirma Chemical Works Pvt. Ltd	**216.00**	864.59
	Nirma Credit and Capital Pvt. Ltd	**350.58**	61.53
8	Royalty Income	**0.14**	0.72
	Aculife Healthcare Pvt. Ltd.	**0.14**	0.72
9	Rent paid	**0.23**	Nil
	Nirma Credit and Capital Pvt. Ltd	**0.23**	Nil
10	Net closing balance - debit	**6.22**	4.34
11	Net closing balance - credit	**0.05**	525.78

₹ in crore

B.	Joint Venture	31.03.2018	31.03.2017
	Wardha Vaalley Coal Field Private Ltd.		
1	Interest Income	**0.18**	Nil
2	Loans given	**0.04**	Nil
3	Net closing balance - debit*	**1.11**	1.07

* Provision of ₹ 1.11 crore (p.y. ₹ 1.07 crore) against the receivables

₹ in crore

C.	Entities over which Promotor have Significant Influence	31.03.2018	31.03.2017
1	Sale of finished goods	**1.32**	3.82
	Nirma University	**1.22**	3.78
2	Sale of materials	**0.19**	0.24
	Shree Rama Multitech Limited	**0.19**	0.24
3	Sale of services	**0.09**	0.85
	Nirma Education and Research Foundation	**0.09**	0.85
4	Purchase of materials/Services	**0.03**	0.16
	Shree Rama Multitech Limited	**0.03**	0.16
5	Expenditure on Corporate Social Responsibility Activities	**Nil**	1.93
	Nirma Education and Research Foundation	**Nil**	1.93
6	Guarantee commission income	**Nil**	0.13
	Shree Rama Multi-tech Limited	**Nil**	0.13
7	Rent Expense	**0.32**	0.27
	S K Patel Family Trust	**0.05**	Nil
	Manjar Discretionary Trust	**0.27**	0.27
8	Net closing balance - debit	**0.41**	1.86
9	Closing balance - Guarantee	**80.00**	80.00

₹ in crore

D.	Key Management Personnel	31.03.2018	31.03.2017
1	Remuneration	**3.42**	3.82
	Shri Hiren K. Patel	**2.29**	2.78
	Shri Rajendra J. Joshipara (upto 09.11.2017)	**0.36**	0.57
	Shri Paresh Sheth	**0.38**	0.31
2	Loan - taken	**18.26**	261.68
	Shri Hiren K. Patel	**18.26**	261.68
3	Loan - repaid	**236.50**	150.81
	Shri Hiren K. Patel	**236.50**	150.81
4	Interest expenses	**4.90**	4.31
	Shri Hiren K. Patel	**4.90**	4.31
5	Perquisites	**0.45**	0.69
	Shri Hiren K. Patel	**0.45**	0.69
6	Net closing balance - credit	**5.00**	223.24

Notes to the consolidated financial statements

₹ in crore

E.	Relatives of Key Management Personnel	31.03.2018	31.03.2017
1	Directors' fees	**0.02**	0.02
	Dr. Karsanbhai K. Patel	**0.01**	0.01
	Shri Rakesh K. Patel	**0.01**	0.01
2	Directors' Remuneration	**0.01**	0.02
	Dr. Karsanbhai K. Patel	**(₹ 16,105)**	0.01
	Shri Rakesh K. Patel	**(₹ 34,141)**	0.01
3	Interest expenses	**5.49**	4.39
	Shri Rakesh K. Patel	**5.49**	4.39
4	Loan - taken	**32.60**	258.10
	Shri Rakesh K. Patel	**32.60**	258.10
5	Loan - repaid	**283.35**	145.87
	Shri Rakesh K. Patel	**283.35**	145.87
6	Closing balance - credit	**5.00**	255.75

₹ in crore

F.	Relatives / Entities over which Director have significant influence	31.03.2018	31.03.2017
1	Rent Expense	**0.24**	0.12
	Smt. Toralben K. Patel	**0.06**	0.05
	Kamlaben Trust	**0.03**	0.02
	Sarvamangal Trust	**0.06**	0.05
	Vimlaben Trust	**0.09**	Nil

₹ in crore

G.	Non-Executive Directors	31.03.2018	31.03.2017
1	Sitting Fees	**0.04**	0.05
	Shri Pankaj R. Patel	**(₹ 50,000)**	0.01
	Shri Rajendra D. Shah	**Nil**	(₹ 50,000)
	Shri Chinubhai R. Shah	**0.01**	0.01
	Shri Kaushik N. Patel	**(₹ 50,000)**	0.01
	Shri Vijay R. Shah	**0.01**	0.01
	Smt. Purvi A. Pokhariyal	**0.01**	0.01

III. Terms and conditions

A. The loans from key management personnel are long term in nature and interest is payable at rate of 8% per annum. Goods were sold to associates during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions at market rates. All outstanding balances are unsecured and are repayable in cash.

B. Disclosure is made in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

Notes to the consolidated financial statements

Note - 49 :

Financial instruments – Fair values and risk management

I. Accounting classification and fair values

₹ in crore

31.03.2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1-Quoted price in active markets	Level 2-Significant observable inputs	Level 3-Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Mutual funds - Liquid funds	844.37			844.37	844.37			844.37
Listed equity instruments		38.72		38.72	38.72			38.72
Unquoted equity instruments		7.51		7.51			7.51	7.51
Financial assets measured at amortised cost								
Unquoted government securities			0.07	0.07				
Loans (non-current)			1.57	1.57				
Loans (current)			67.92	67.92				
Other non current financial assets			518.30	518.30				
Other current financial assets			151.46	151.46				
Trade receivables			1,309.11	1,309.11				
Cash and cash equivalents			227.05	227.05				
Other bank balances			547.63	547.63				
Total Financial Assets	844.37	46.23	2,823.11	3,713.71	883.09		7.51	890.60
Financial liabilities measured at amortised cost								
Non current borrowings			6,673.05	6,673.05				
Current borrowings			356.11	356.11				
Non current financial liabilities- Others			198.23	198.23				
Trade payables			1,267.93	1,267.93				
Other financial liabilities			3,251.07	3,251.07				
Total Financial Liabilities			11,746.39	11,746.39				

₹ in crore

31.03.2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1-Quoted price in active markets	Level 2-Significant observable inputs	Level 3-Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Mutual funds - Liquid funds	412.19			412.19	412.19			412.19
Listed equity instruments		47.33		47.33	47.33			47.33
Unquoted equity instruments		16.78		16.78			16.78	16.78
Financial assets measured at amortised cost								
Unquoted government securities			0.06	0.06				
Loans (non-current)			2.19	2.19				
Loans (current)			77.21	77.21				
Other non current financial assets			131.94	131.94				
Other current financial assets			228.78	228.78				
Trade receivables			1,260.03	1,260.03				
Cash and cash equivalents			733.63	733.63				
Other bank balances			25.60	25.60				
Total Financial Assets	412.19	64.11	2,459.44	2,935.74	459.52		16.78	476.30
Financial liabilities measured at amortised cost								
Non current borrowings			8,599.17	8,599.17				
Current borrowings			1,041.40	1,041.40				
Non current financial liabilities- Others			139.23	139.23				
Trade payables			1,267.97	1,267.97				
Other financial liabilities			758.15	758.15				
Derivative liability	0.08		Nil	0.08		0.08		0.08
Total Financial Liabilities	0.08		11,805.92	11,806.00		0.08		0.08

Notes to the consolidated financial statements

II. Fair value of financial assets and liabilities measure at amortised cost

₹ in crore

	31.03.2018		31.03.2017	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Investments				
Loans (non-current)	**1.57**	**1.57**	2.19	2.19
Unquoted government securities	**0.07**	**0.07**	0.06	0.06
Other non current financial assets	**518.30**	**518.30**	131.94	131.94
Total financial assets	**519.94**	**519.94**	134.19	134.19
Financial liabilities				
Non current borrowings	**6,673.05**	**6,673.05**	8,599.17	8,599.17
Non current financial liabilities- Others	**198.23**	**198.23**	139.23	139.23
Total financial liabilities	**6,871.28**	**6,871.28**	8,738.40	8,738.40

Notes:

The following methods and assumptions were used to estimate the fair values:

i) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balance, other current financial liability, loans and other current assets are considered to be the same as their fair values, due to their short-term nature.

ii) The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

iii) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of significant observable inputs, including own credit risk.

III. Measurement of fair values

A. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVTOCI in unquoted equity shares	**Market comparison technique:** The valuation model is based on two approaches : **1. Asset approach** - seek to determine the business value based on the value of it's assets. The aim is to determine the business value based on the fair market value of its assets less its liabilities. The asset approach is based on the economic principle of substitution which adopts the approach of cost to create another business similar to one under consideration that will produce the same economic benefits for its owners	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity.
	2. Market approach - relies on signs from the real market place to determine what a business is worth. The market approach based valuation methods establish the business value in comparison to similar businesses. The methods rely on the pricing multiples which determine a relationship between the business economic performance, such as its revenues or profits, and its potential selling price. The valuation has been made considering the following weightage to the above approaches: Asset approach : 70% Market approach : 30%		

Notes to the consolidated financial statements

B. Transfers between Levels 1 and 2

There is no transfer between Level 1 and Level 2 during the reporting periods

C. Level 3 fair values

1. Movements in the values of unquoted equity instruments for the period ended March 31, 2018 and March 31, 2017 is as below:

₹ in crore

Particulars	Equity Instruments
As at 01.04.2016	**13.30**
Gains/ (losses) recognised in other comprehensive income	3.48
As at 31.03.2017	**16.78**
Gains/ (losses) recognised in other comprehensive income	(9.28)
As at 31.03.2018	**7.50**

2. Sensitivity analysis

For the fair values of unquoted investments, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects.

Significant observable inputs	31.03.2018		31.03.2017	
	Other Comprehensive Income		Other Comprehensive Income	
	Increase	Decrease	Increase	Decrease
Unquoted equity instruments measured through OCI 5% movement	**0.38**	**0.38**	0.84	0.84

Note - 50 : Financial risk management

The group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

I. Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

II. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Notes to the consolidated financial statements

A. Trade receivables

Trade receivables of the group are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the cement business. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which group grants credit terms in the normal course of business. The group performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. The group has no concentration of credit risk as the customer base is geographically distributed in India.

At March 31,2018, the ageing of trade and other receivables that were not impaired was as follows:

₹ in crore

Particulars	Carrying amount	
	31.03.2018	31.03.2017
Domestic	**948.39**	891.15
Other regions	**360.72**	368.88
Total	**1,309.11**	1,260.03

A.1. Impairment

At March 31, 2018, the ageing of trade and other receivables that were not impaired was as follows.

₹ in crore

Particulars	Carrying amount					
	31.03.2018			31.03.2017		
	Gross	**Provision**	**Net**	Gross	Provision	Net
Neither past due nor impaired	**546.07**	**Nil**	**546.07**	198.99	Nil	198.99
Upto 30 days	**372.94**	**Nil**	**372.94**	727.67	0.69	726.98
Between 31–90 days	**169.57**	**Nil**	**169.57**	194.14	0.72	193.42
More than 90 days	**287.99**	**67.46**	**220.53**	197.28	56.64	140.64
Total	**1,376.57**	**67.46**	**1,309.11**	1,318.08	58.05	1,260.03
% of expected credit losses (More than 90 days)		**4.90%**			4.40%	

Note:

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for trade receivables as at 31.03.2018 and 31.03.2017.

A.2. Movement in provision of doubtful debts

₹ in crore

Particulars	**31.03.2018**	31.03.2017
Opening provision	**58.05**	1.71
Acquired on acquisition of subsidiary	**Nil**	55.37
Additional provision made	**9.41**	0.97
Closing provision	**67.46**	58.05

III. Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Notes to the consolidated financial statements

A. The group maintains the following lines of credit:

(1) Cash credit facility of ₹ 356.11 crore (p.y. ₹ 383.16 crore) that is secured through book debts and stock. Interest would be payable at the rate of varying from 8% - 10% p.a. (p.y. 9% -12% p.a.).

(2) Commercial paper of Nil (p.y. ₹ 658.24 crore) that is unsecured are issued for a period ranging from 15 to 90 days. Interest is payable at the rate ranging from 6% to 8% p.a. (p.y. 6% -9% p.a.)

B. The group had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at	
Floating rate	**31.03.2018**	31.03.2017
Fund Base		
Expiring within one year (bank overdraft and other facilities)	**1,329.89**	2,241.84
Non Fund Base		
Expiring within one year (bank overdraft and other facilities)	**403.78**	1,347.19

C. Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

₹ in crore

As on 31.03.2018	**Contractual cash flows**					
	Carrying amount	**Less than 12 months**	**1-2 years**	**3-5 years**	**More than 5 years**	**Total**
Non-derivative financial liabilities						
Non current borrowings	**6,673.05**	**508.42**	**2,952.75**	**3,872.62**	**1,508.58**	**8,842.37**
Non current financial liabilities	**198.23**	**Nil**	**50.98**	**Nil**	**147.25**	**198.23**
Current financial liabilities	**356.11**	**356.11**	**Nil**	**Nil**	**Nil**	**356.11**
Trade and other payables	**1,267.93**	**1,267.93**	**Nil**	**Nil**	**Nil**	**1,267.93**
Other current financial liabilities	**3,251.07**	**3,399.72**	**Nil**	**Nil**	**Nil**	**3,399.72**
Derivative financial liabilities						
Derivative contracts used for hedging - Inflow	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

₹ in crore

As on 31.03.2017	Contractual cash flows					
	Carrying amount	Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Non current borrowings	8,599.17	622.54	3,848.07	5,112.41	977.94	10,560.96
Non current financial liabilities	139.23	Nil	0.78	Nil	138.45	139.23
Current financial liabilities	1,041.40	1,041.40	Nil	Nil	Nil	1,041.40
Trade and other payables	1,267.97	1,267.97	Nil	Nil	Nil	1,267.97
Other current financial liabilities	758.23	877.11	Nil	Nil	Nil	877.11
Derivative financial liabilities						
Derivative contracts used for hedging - Inflow	0.08	0.08	Nil	Nil	Nil	0.08

IV. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

A. Currency risk

The functional currency of the group is Indian Rupee. The group is exposed to currency risk on account of payables and receivables in foreign currency. Since the average exports account only for 1.08% of total sales this is not perceived to be a major risk. The average imports account for 20.98% of total purchases. The group, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure. The group has formulated policy to meet the currency risk.

Group does not use derivative financial instruments for trading or speculative purposes.

A.1. Foreign Currency Exposure

₹ / FC in crore

Particulars	Currency	31.03.2018	31.03.2017
a) Against export	USD	0.18	0.09
	INR	11.74	5.66
b) Against import (including capital import)	USD	0.17	0.12
	INR	11.48	8.21
	EURO	0.07	0.02
	INR	5.60	1.51
	YEN	0.18	Nil
	INR	0.11	Nil
c) Against reimbursement of expense	USD	($5,585)	($5,764)
	INR	0.04	0.03
Net statement of financial exposure	USD	0.01	(0.03)
	INR	0.26	(2.55)
	EURO	(0.07)	(0.02)
	INR	(5.60)	(1.51)
	YEN	(0.18)	Nil
	INR	(0.11)	Nil

A.2. Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rate:

₹ in crore

As on 31.03.2018	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)		
USD	**0.01**	**0.01**
EURO	**0.28**	**0.28**
YEN	**0.01**	**0.01**

Notes to the consolidated financial statements

₹ in crore

As on 31.03.2017	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase / decrease)		
USD	0.13	0.13
EURO	0.08	0.08

B. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The group adopts a policy to ensure that maximum interest rate exposure is at a fixed rate. This is achieved by entering into fixed-rate instruments.

B.1. Exposure to interest rate risk

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Fixed-rate instruments		
Financial assets	**1,135.78**	466.10
Financial liabilities	**7,825.93**	8,371.44
Total	**8,961.71**	8,837.54
Variable-rate instruments		
Financial liabilities	**1,992.45**	1,604.81
Total	**1,992.45**	1,604.81

As at the end of the reporting period, the group had the following variable rate borrowings outstanding:

As on 31.03.2018	
Weighted average interest rate	**7.59%**
Balance	**1,992.45**
% of total loans	**20.29%**

As on 31.03.2017	
Weighted average interest rate	9.45%
Balance	1,604.81
% of total loans	16.09%

B.2. Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

₹ in crore

As on 31.03.2018	**Impact on profit before tax**	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase / decrease)	**9.96**	**9.96**

₹ in crore

As on 31.03.2017	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase / decrease)	7.51	7.51

Notes to the consolidated financial statements

B.3. Fair value sensitivity analysis for fixed-rate instruments

The group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the group does not have any designate derivatives (interest rate swaps). Therefore, a change in interest rates at the reporting date would not affect profit or loss.

C. Price risk

The group is exposed to price risk, which arises from investments in FVOCI equity securities and mutual funds designated as FVTPL instruments. The management monitors the proportion of equity securities in its investment portfolio based on market price of equity securities. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are duly approved. The primary goal is to maximise investment returns.

C.1. Sensitivity

The table below summarises the impact on account of changes in prices of FVOCI securities and mutual funds designated at FVTPL. The analysis below is based on the assumptions that the price has increased/decreased by 5% in case of quoted equity instruments and 1% in case of unquoted mutual funds with all the other variables held constant.

₹ in crore

As on 31.03.2018	**Impact on profit before tax**		**Impact on other components of equity**	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Quoted Equity instruments (5% increase / decrease)	**Nil**	**Nil**	**1.94**	**1.94**
Quoted Mutual Fund instruments (1% increase / decrease)	**8.44**	**8.44**	**Nil**	**Nil**

₹ in crore

As on 31.03.2017	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase / decrease)	Nil	Nil	2.37	2.37
Quoted Mutual Fund instruments (1% increase / decrease)	4.12	4.12	Nil	Nil

Note - 51 : Capital management

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

The group's adjusted net debt to equity ratio is as follows:

₹ in crore

Particulars	As at	
	31.03.2018	31.03.2017
Total liabilities	**14,520.34**	14,631.37
Less : Cash and bank balances	**774.68**	759.23
Adjusted net debt	**13,745.66**	13,872.14
Total equity	**10,296.12**	9,415.14
Adjusted net debt to adjusted equity ratio	**1.34**	1.47

Note - 52 : Earnings per share

[Number of shares]

Particulars	**31.03.2018**	31.03.2017
Issued equity shares	**146,075,130**	146,075,130
Weighted average shares outstanding - Basic and Diluted - A	**146,075,130**	146,075,130

Notes to the consolidated financial statements

Net profit available to equity holders of the parent company used in the basic and diluted earnings per share was determine as follows:

₹ in crore

Particulars	31.03.2018	31.03.2017
Profit and loss after tax	**898.97**	638.70
Profit and loss after tax for EPS - B	**898.97**	638.70
Basic Earnings per share [B/A] [₹]	**61.54**	43.72
Diluted Earnings per share [B/A] [₹]	**61.54**	43.72

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

Note - 53 :

The Composite Scheme of Compromise and Arrangement between Core Healthcare Limited (CHL), the Demerged Company, its Lenders and Shareholders and Nirma Limited, the Resulting Company and its Shareholders (the Scheme) under Sections 78, 100, 391 to 394 of the Companies Act, 1956, has been sanctioned by Hon'ble High Court of Gujarat vide an Order dated 01.03.2007. The Scheme has become effective with effect from 07.03.2007. Three parties have filed appeals before the Division Bench of Hon'ble High Court of Gujarat. The Scheme is subject to the result of the said appeal. The demerged undertaking i.e. healthcare division has been transferred to Aculife Healthcare Private Ltd. from 01.10.2014

Note - 54 :

The Ministry of Environmental & Forests had cancelled the Environment Clearance granted to the cement project at Mahuva, Gujarat pursuant to which, the group has filed an appeal before the National Green Tribunal (NGT). The group's appeal was allowed by NGT. Against this order of NGT, appeal was preferred before Hon'ble Supreme Court.

Note - 55 :

Exceptional item amounting to Nil (p.y. ₹ 102.13 crore) represents certain assets written off in respect of Cement project at Mahuva, Gujarat and Nil (p.y. ₹ 8.73 crore) in relation to the order of Competition Commission of India dated February 2, 2016.

Note - 56 : Hedge Accounting

Indian subsidiary performs hedging on its forecasted / firm foreign currency exposure in respect of import of goods and services from time to time on in 12 months rolling basis. The group uses mainly forward exchange contracts to hedge its currency risk. Hedging instruments are denominated in the same currency in which currency the imports are made. Maturity of hedging instruments are mainly less than 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency transactions and changes in foreign exchange forward rates.

₹ in crore

Particulars	31.03.2018		31.03.2017	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments	**Nil**	**Nil**	Nil	0.08

There are no forward contracts outstanding as at 31 March 2018. The cash flow hedges of the firm commitments during the year ended 31 March 2017 were assessed to be highly effective.

Notes to the consolidated financial statements

Note 57 : Other Disclosures

₹ in crore

Particulars	31.03.2018	31.03.2017
I. Payment to Auditors		
A. Statutory Auditors		
(1) For Statutory Audit	**2.13**	2.54
(2) For Tax Audit	**0.10**	0.27
(3) For Limited Review	**0.25**	0.25
(4) For Taxation Matters	**1.08**	1.46
(5) Out of pocket expenses	**0.07**	0.04
Total	**3.63**	4.56
B. Cost Auditors		
Audit Fee	**0.06**	0.05
Total	**0.06**	0.05

Note - 58 :

Nirchem Cement Ltd. (Nirchem) was incorporated on 2nd August 2016 as a wholly owned subsidiary of Nirma Limited for engaging in the cement business. On 4th October 2016, Nirchem acquired the business of Lafarge India Ltd. (Lafarge) (the 'Acquisition'), by way of acquiring 100% shares of Lafarge from its shareholders. Nirchem was amalgamated with Nuvoco Vistas Corporation Ltd. (erstwhile Lafarge India Ltd.) ("Nuvoco") with an appointed date of October 4, 2016 as per the order dated April 6, 2017 of the Hon'ble National Company Law Tribunal, Mumbai bench, which has come into effect from April 19, 2017. The financials of the Nuvoco were consolidated for the period from October 4, 2016 to March 31, 2017 by appropriate method.

Note - 59 :

Indian subsidiary had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of ₹ 12.22 crore (p.y. 2016-17 ₹ 12.22 crore) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the group has not recognized the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

Note - 60 :

Netting Off Disclosure

Offsetting financial assets and financial liabilities:

₹ in crore

31.03.2018	Effects of offsetting on balance sheet		
Particulars	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
Financial assets			
Trade receivables	**1,309.59**	**(0.48)**	**1,309.11**
Total	**1,309.59**	**(0.48)**	**1,309.11**
Financial Liabilities			
Derivative Liabilities	**Nil**	**Nil**	**Nil**
Total	**Nil**	**Nil**	**Nil**

Notes to the consolidated financial statements

₹ in crore

31.03.2017	Effects of offsetting on balance sheet		
Particulars	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
Financial assets			
Trade receivables	1,260.28	(0.25)	1,260.03
Total	1,260.28	(0.25)	1,260.03
Financial Liabilities			
Derivative Liabilities	0.08	Nil	0.08
Total	0.08	Nil	0.08

Note:

Offsetting arrangements - CFA agents

The group engages the services of CFA agents for selling the cement. As per the terms of the agreement, group has a right to offset balances with CFA against debtors balances if debtor has not paid for a period of 90 days. Hence such amounts have been offset in the balance sheet.

Note - 61 :

(a) Figures of the previous year have been regrouped wherever necessary. During the previous year, Nuvoco Vistas Corporation Ltd. (formerly known as "Lafarge India Ltd.") became the subsidiary of the parent company and on October 4, 2016, it acquired shares of Nuvoco Vistas corporation Ltd. (formerly known as "Lafarge India Ltd."). Hence, the figures of the current year are not comparable with the previous year.

(b) Figures have been presented in 'crores' of rupees with two decimals. Figures less than ₹ 50,000 have been shown at actual in brackets.

Note - 62 :

Disclosures as required by Indian Accounting Standard (Ind AS) 37 - Provisions

₹ in crore

Particulars	**Mines reclamation expense**		**Dealer discount provisions**		**Indirect taxes and litigations**	
	31.03.2018	31.03.2017	**31.03.2018**	31.03.2017	**31.03.2018**	31.03.2017
Carrying amount at the beginning of the year #	**25.48**	1.05	**64.81**	Nil	**194.95**	1.91
Balance acquired on acquisition of subsidiary (Refer note 58)	**Nil**	24.09	**Nil**	43.39	**Nil**	181.82
Currency Translation	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil
Additional provision made during the year	**6.84**	0.62	**77.93**	36.84	**10.29**	11.79
Amounts used during the year	**(1.24)**	(0.28)	**(50.91)**	(15.42)	**(1.24)**	(0.57)
Amounts written back during the year	**Nil**	Nil	**(0.62)**	Nil	**(17.14)**	Nil
Carrying amount at the end of the year #	**31.08**	25.48	**91.21**	64.81	**186.86**	194.95

Notes to the consolidated financial statements

₹ in crore

Particulars	Provision for contractor's charges		Provision for decommissioning obligations		Provision for environment clean up expenses	
	31.03.2018	31.03.2017	**31.03.2018**	31.03.2017	**31.03.2018**	31.03.2017
Carrying amount at the beginning of the year #	**23.24**	Nil	**1.71**	1.66	**18.40**	19.10
Balance acquired on acquisition of subsidiary (Refer note 58)	**Nil**	19.09	**Nil**	Nil	**Nil**	Nil
Currency Translation	**Nil**	Nil	**Nil**	0.05	**0.05**	(0.39)
Additional provision made during the year	**2.60**	4.15	**0.07**	Nil	**Nil**	Nil
Amounts used during the year	**Nil**	Nil	**Nil**	Nil	**(0.78)**	(0.31)
Carrying amount at the end of the year #	**25.84**	23.24	**1.78**	1.71	**17.67**	18.40

This includes current and non current portion.

Note - 63 :

Interests in other entities

The Consolidated Financial Statements present the Consolidated Accounts of Nirma Limited with its following Subsidiaries, Joint Venture and Associate

A. Subsidiaries

Name of business	Place of Business / incorporation	Ownership interests held by group		Principal activities
		31.03.2018	31.03.2017	
Karnavati Holdings Inc.	USA	**100%**	100%	Wholly owned subsidiary (WOS) of Nirma Ltd. It does not have any operations of its own.
Searles Valley Minerals Inc.(SVM)	USA	**100%**	100%	It is engaged in the business of mining and manufacturing of Soda ash, boron minerals and salts.
Searles Domestic Water Company LLC	USA	**100%**	100%	It is engaged in the production of portable water which is majorly consumed captively by SVM for the production of soda ash.
Trona Railway Company LLC	USA	**100%**	100%	It is engaged in the business of providing railway transportation services for SVM's products.
Searles Valley Minerals Europe	France	**100%**	100%	It is engaged in the business of selling SVM's products in the European markets.
Nuvoco Vistas Corporation Ltd.	India	**100%**	100%	It is engaged in the business of trading and manufacturing of cement, clinker and aggregates.
Rima Eastern Cement Ltd.	India	**100%**	100%	It is engaged in the business of trading and manufacturing of cement, clinker and aggregates.

Notes to the consolidated financial statements

B. Associate

(i) Interest in Associate

Name of business	Place of Business / incorporation	Ownership interests held by group		Principal activities
		31.03.2018	31.03.2017	
FRM Trona Fuels LLC	USA	**49%**	49%	It is engaged in the business of fuel treatment

(ii) Commitments & contingent liabilities

There is no commitment or contingent liabilities as on the reporting date.

(iii) Summarised financial information

₹ in crore

Particulars	31.12.2017	31.12.2016
Current Assets		
Cash & cash equivalents	**0.20**	0.07
Other Assets	**1.86**	0.53
Non Current Assets		
Tangible assets	**4.14**	6.15
Current Liabilities		
Financial liabilities (excluding trade payables)	**1.58**	1.79

(iv) Reconciliation to carrying amount

₹ in crore

Particulars	31.12.2017	31.12.2016
Net assets	**4.62**	4.96
Group's share in%	**49%**	49%
Group's share in ₹	**2.26**	2.43
Carrying amount of investment	**2.26**	2.43

(v) Summarised performance

₹ in crore

Particulars	31.12.2017	31.12.2016
Revenue	**159.19**	175.15
Cost of goods sold	**(158.82)**	(174.93)
Other expenses	**(3.69)**	(5.05)
Profit/ (Loss) for the year	**(3.32)**	(4.83)
Group's share in%	**49%**	49%
Group's share in ₹	**(1.63)**	(2.36)

C. Joint Venture

(i) Interest in Joint Venture

Name of business	Place of Business / incorporation	Ownership interests held by group		Principal activities
		31.03.2018	31.03.2017	
Wardha Vaalley Coal Field Pvt. Ltd.	India	**19.14%**	19.14%	It is engaged in the business to explore, prospect, develop / exploit, mine, beneficate coal from coal block

(ii) **Summarised Financial Information**

₹ in crore

Particulars	31.03.2018
Assets	
Cash & cash equivalents	**0.12**
Other Assets	**Nil**
Current Liabilities	
Financial liabilities (excluding trade payables)	**0.38**
Other liabilities	**0.18**

(iii) **Summarised performance**

₹ in crore

Particulars	31.03.2018
Revenue	**0.04**
Expenses	**(0.04)**
Profit/ (Loss) for the year	**(0.00)**
% of share	**19.14%**
Profit/ (Loss) for the year	**(0.00)**

Note - 64 :

Basis of consolidation

The consolidated financial statements relate to Nirma Limited (the Company), its subsidiary companies and associate companies. The Company, its subsidiaries and associate companies constitute the Group.

I. The Subsidiary companies considered in the consolidated financial statements are as under:

Sr. No.	Name of the subsidiaries	Country of incorporation	Proportion of ownership interest
1	Nuvoco Vistas Corporation Ltd.	India	100%
2	Rima Eastern Cement Ltd.	India	100%
3	Karnavati Holdings Inc.	USA	100%
4	Searles Valley Minerals Inc.	USA	100%
5	Searles Valley Minerals Europe	France	100%
6	Searles Domestic Water Company LLC	USA	100%
7	Trona Railway Company LLC	USA	100%

II. The significant associate companies considered in the consolidated financial statements are as under:

Sr. No.	Name of the associate	Country of incorporation	Proportion of ownership interest
1	FRM Trona Fuels LLC	USA	49%

III. The significant joint venture companies considered in the consolidated financial statements are as under:

Sr. No.	Name of the joint venture	Country of incorporation	Proportion of ownership interest
1	Wardhaa Vaalley Coal Field Pvt. Ltd.	India	19.14%

Notes to the consolidated financial statements

IV. Disclosure mandated by Schedule III of Companies Act, 2013 by way of additional information:

₹ in crore

Name of the entities	Net Assets i.e. total assets minus total liabilities				Share in profit or loss				Share in other comprehensive income				Share in total comprehensive income			
	As% of consolidated net assets		Amount		As% of consolidated net profit		Amount		As% of consolidated net profit		Amount		As% of consolidated net profit		Amount	
	As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Parent:																
Nirma Limited	**45.10%**	45.00%	**4,643.49**	4,236.73	**46.68%**	67.54%	**419.60**	431.38	**287.87%**	-31.44%	**(12.84)**	9.00	**45.47%**	72.20%	**406.76**	440.38
Subsidiaries:																
Nuvoco Vistas Corporation Ltd.	**39.99%**	41.94%	**4,117.27**	3,948.95	**17.59%**	-5.21%	**158.12**	(33.25)	**-23.54%**	-0.31%	**1.05**	0.09	**17.79%**	-5.43%	**159.17**	(33.16)
Rima Eastern Cement Ltd.	**0.00%**	0.00%	**Nil**	0.05	**-0.01%**	0.00%	**(0.05)**	Nil	**0.00%**	0.00%	**Nil**	Nil	**-0.01%**	0.00%	**(0.05)**	Nil
Karnavati Holdings Inc.	**19.41%**	19.80%	**1,998.53**	1,864.53	**26.42%**	27.02%	**237.48**	172.58	**-61.43%**	37.62%	**2.74**	(10.77)	**26.85%**	26.52%	**240.22**	161.81
Searles Valley Minerals Inc.	**13.92%**	12.66%	**1,432.98**	1,192.08	**39.10%**	39.11%	**351.52**	249.81	**-31.84%**	24.07%	**1.42**	(6.89)	**39.46%**	39.82%	**352.94**	242.92
Searles Valley Minerals Europe	**0.04%**	0.04%	**4.00**	4.22	**-0.03%**	-0.01%	**(0.23)**	(0.09)	**-0.22%**	0.07%	**0.01**	(0.02)	**-0.02%**	-0.02%	**(0.22)**	(0.11)
Searles Domestic Water Company LLC	**0.05%**	0.05%	**5.26**	4.38	**0.10%**	0.05%	**0.86**	0.30	**-0.22%**	0.10%	**0.01**	(0.03)	**0.10%**	0.04%	**0.87**	0.27
Trona Railway Company LLC	**4.21%**	4.36%	**433.11**	410.08	**2.39%**	4.45%	**21.53**	28.45	**-13.45%**	8.28%	**0.60**	(2.37)	**2.47%**	4.27%	**22.13**	26.08
Associate:																
Foreign																
FRM Trona LLC	**0.02%**	0.03%	**2.26**	2.43	**-0.18%**	-0.37%	**(1.63)**	(2.36)	**0.00%**	0.00%	**Nil**	Nil	**-0.18%**	-0.39%	**(1.63)**	(2.36)
Joint Venture:																
Wardha Vaalley Coal Field Pvt. Ltd.	**0.00%**	0.00%	**(0.44)**	(0.38)	**Nil**	Nil	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil
Intercompany elimination and consolidation adjustments	**-22.74%**	-23.88%	**(2,340.34)**	(2,247.93)	**-32.06%**	-32.58%	**(288.23)**	(208.12)	**-57.17%**	61.61%	**2.55**	(17.64)	**-31.93%**	-37.01%	**(285.68)**	(225.76)
Grand Total	**100.00%**	100.00%	**10,296.12**	9,415.14	**100.00%**	100.00%	**898.97**	638.70	**100.00%**	100.00%	**(4.46)**	(28.63)	**100.00%**	100.00%	**894.51**	610.07

Notes to the consolidated financial statements

Note 65

Disclosure pursuant to Ind AS-8 “Accounting policies, change in accounting estimates and errors” [specified under section 133 of the Companies Act 2013, read with rule 7 of Companies (Accounts) Rules, 2015] are given below:

Following are the restatement made in the current year’s financial statements pertaining to previous year:

	As at 31st March, 2017 (Published)	As at 31st March, 2017 (Restated)	Nature
ASSETS			
Capital work-in-progress	335.02	336.70	Reclassification items
Intangible assets under development	15.16	13.48	Reclassification items
Non-Current Assets			
Other financial assets	131.94	360.72	Reclassification items
Other non current assets	461.67	232.89	Reclassification items
Current Assets			
Other financial assets	111.61	231.97	Reclassification items
Current tax assets (net)	7.50	Nil	Reclassification items
Other current assets	484.49	364.13	Reclassification items
EQUITY AND LIABILITIES			
Non Current Liabilities			
Provisions	180.14	179.99	Reclassification items
Current Liabilities			
Provisions	321.90	322.05	Reclassification items
Current tax liabilities	292.98	285.48	Reclassification items

	As at 31st March, 2017 (Published)	As at 31st March, 2017 (Restated)	Nature
INCOME			
Revenue from Operations	10,801.63	10,827.36	Reclassification items

	As at 31st March, 2017 (Published)	As at 31st March, 2017 (Restated)	Nature
EXPENSE			
Cost of materials consumed	2,307.28	2,307.65	Reclassification items
Other Expenses	4,744.35	4,769.71	Reclassification items

* The above reclassifications in the prior year's published numbers have been made for better presentation in the financial statements and to conform to the current year's classification/disclosure. This does not have any impact on the profit and hence no change in the basic and diluted earnings per share of previous year.

* The above restatements does not have any impact at the beginning of the previous year i.e. 1st April, 2016.

Notes to the consolidated financial statements

Note 66

SEGMENT INFORMATION

(A) Description of segments and principal activities

The Group's management, consisting of the managing director, the chief financial officer and the manager for corporate planning, monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment and has identified three reportable segments of its business. Management monitors the performance of respective segments separately.

1. **Cement -** Group manufactures cement including ready mix concrete and clinker. This part of the business is seen as a potential growth segment which is expected to materially contribute to Group's revenue in the future.
2. **Soaps and surfactants -** Group manufactures various products like detergents, toilet soaps and its ingredients.
3. **Processed minerals -** Group manufactures inorganic chemicals.
4. **Others -** All the segments other than segments identified above are collectively included in this segment. These are not reportable operating segments, as they are not separately included in the reports provided by the management. The results of these operations are included in the 'Others' column.

(B) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

Notes to the consolidated financial statements

(C) Information about Primary Business Segment as at and for the year ended on 31st March,2018 and 31st March,2017

₹ in crore

	Cement		Soaps & Surfactants		Processed Minerals		Other Businesses		Unallocated		Grand Total	
	2017-2018	**2016-2017**	**2017-2018**	**2016-2017**	**2017-2018**	**2016-2017**	**2017-2018**	**2016-2017**	**2017-2018**	**2016-2017**	**2017-2018**	2016-2017
Segment revenue												
External	**6787.47**	3491.15	**4898.97**	4363.78	**2417.64**	2589.17	**375.93**	383.26	**Nil**	Nil	**14480.01**	10827.36
Inter segment (*)	**12.18**	13.20	**Nil**	Nil	**Nil**	Nil	**2.06**	3.12	**Nil**	Nil	**14.24**	16.32
Total revenue	**6787.47**	3491.15	**4898.97**	4363.78	**2417.64**	2589.17	**375.93**	383.26	**Nil**	Nil	**14480.01**	10827.36
Segment Result												
Segment result	**625.71**	207.92	**949.63**	937.91	**167.29**	270.89	**66.63**	94.54	**Nil**	Nil	**1809.26**	1511.26
Unallocated expenditure net of unallocated income	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**66.63**	75.25	**66.63**	75.25
Interest expenses	**394.94**	221.44	**16.44**	13.28	**7.38**	5.07	**0.05**	0.08	**432.08**	282.80	**850.89**	522.67
Interest income	**10.34**	5.24	**5.67**	4.17	**0.73**	Nil	**0.01**	0.01	**38.36**	59.42	**55.11**	68.84
Profit/(loss) before share of net profits of investments accounted for using equity method, exceptional Items and tax	**241.11**	(8.28)	**938.86**	928.80	**160.64**	265.82	**66.59**	94.47	**(460.35)**	(298.63)	**946.85**	982.18
Share of profits/(loss) in associate /Joint Venture	**Nil**	Nil	**Nil**	Nil	**(1.63)**	(2.36)	**Nil**	Nil	**Nil**	Nil	**(1.63)**	(2.36)
Profit/(loss) exceptional Items and tax	**241.11**	(8.28)	**938.86**	928.80	**159.01**	263.46	**66.59**	94.47	**(460.35)**	(298.63)	**945.22**	979.82
Exceptional Items	**Nil**	110.86	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	110.86
Profit before tax	**241.11**	(119.14)	**938.86**	928.80	**159.01**	263.46	**66.59**	94.47	**(460.35)**	(298.63)	**945.22**	868.96
Tax Expenses												
- Current tax	**77.08**	28.30	**Nil**	Nil	**19.56**	12.87	**Nil**	Nil	**124.00**	135.50	**220.64**	176.67
- Mat credit utilised/ (Entitlement)	**(11.29)**	(28.30)	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(42.75)**	(111.00)	**(54.04)**	(139.30)
- Deferred tax	**46.17**	60.17	**Nil**	Nil	**(194.31)**	2.19	**Nil**	Nil	**118.57**	224.04	**(29.57)**	286.40
- Tax expense relating to prior years	**(44.38)**	(45.75)	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(4.81)**	(1.00)	**(49.19)**	(46.75)
- Mat credit Entitlement related to earlier years	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(41.59)**	(46.76)	**(41.59)**	(46.76)
Profit / (Loss) for the Year	**173.53**	(133.56)	**938.86**	928.80	**333.76**	248.40	**66.59**	94.47	**(613.77)**	(499.41)	**898.97**	638.70
Other information												
Segment assets	**17166.25**	16872.99	**4527.35**	4237.45	**2687.64**	2442.05	**278.36**	267.97	**154.60**	223.62	**24814.20**	24044.08
Investment in Associate /Joint Venture	**Nil**	Nil	**Nil**	Nil	**2.26**	2.43	**Nil**	Nil	**Nil**	Nil	**2.26**	2.43
Segment liabilities	**7178.11**	7059.75	**643.96**	587.49	**556.84**	641.18	**13.04**	9.92	**6128.39**	6333.03	**14520.34**	14631.37
Capital expenditure	**215.23**	157.96	**611.78**	1089.64	**270.80**	132.61	**43.02**	2.15	**4.90**	1.59	**1145.73**	1383.95
Depreciation and amortisation	**475.00**	261.90	**341.17**	154.13	**106.12**	88.91	**19.68**	19.88	**4.27**	4.73	**946.24**	529.55
Non-cash expenses other than depreciation and amortisation	**11.79**	108.56	**3.83**	52.81	**Nil**	0.28	**Nil**	0.03	**Nil**	1.88	**15.62**	163.56

* Total Revenue is after elimination of Inter segment turnover of ₹ 14.24 Crore. (Previous Year ₹ 16.32 Crore)

Notes to the consolidated financial statements

(D) Information about secondary geographic segment

₹ in crore

	India		USA		Rest of the world		Total	
	2017-2018	2016-2017	**2017-2018**	2016-2017	**2017-2018**	2016-2017	**2017-2018**	2016-2017
Revenue*								
External	**11888.07**	8147.62	**1206.62**	1261.53	**1385.32**	1418.21	**14480.01**	10827.36
Inter segment	**0.61**	7.65	**Nil**	Nil	**Nil**	Nil	**0.61**	7.65
Total revenue	**11888.07**	8147.62	**1206.62**	1261.53	**1385.32**	1418.21	**14480.01**	10827.36
Other information**								
Carrying cost of segment non current assets@	**17671.22**	17581.55	**1262.31**	1094.99	**Nil**	Nil	**18933.53**	18676.54
Carrying cost of Segment Assets	**22117.04**	21603.96	**2699.42**	2442.55	**Nil**	Nil	**24816.46**	24046.51
Addition to Property, Plant & Equipment including intangible Assets	**874.93**	1251.34	**270.80**	132.61	**Nil**	Nil	**1145.73**	1383.95

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets, Investments accounted for using equity method and deferred tax asset

(E) None of the entity's external customers account for 10 per cent or more of an entity's revenue.

Note - 67 :

The financial statements are approved for issue by the Audit Committee as at its meeting on May 25, 2018 and by the Board of Directors on May 25, 2018.

As per our report of even date

For and on behalf of the Board

For Rajendra D. Shah & Co
Chartered Accountants
Firm Registration No 108363W

Rajendra D. Shah
Proprietor
Membership No.4844

Place : Ahmedabad
Date : May 25, 2018

HIREN K. PATEL
Managing Director
(DIN: 00145149)

Dr. K. K. PATEL
Chairman
(DIN: 00404099)

PARESH SHETH
Company Secretary

SATISH C. SHAH
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2018

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

If undelivered please return to :

Nirma Limited

Nirma House, Ashram Road, Ahmedabad - 380 009.