37th

ANNUAL REPORT

2016-2017

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
Hemanshu 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

Directors' Report 02

Independent Auditors' Report 25

Balance Sheet.. 32

Statement of Profit and Loss................................ 33

Cash Flow Statement 35

Notes to the Financial Statement.......................... 36

Salient features of Financial Statements of
Subsidiaries/Associates/Joint Ventures................ 115

Independent Auditors' Report on
Consolidated Financial Statements 117

Consolidated Balance Sheet................................ 122

Consolidated Statement of Profit And Loss 123

Consolidated Cash Flow Statement 126

Notes to the Consolidated Financial Statement . 128

Directors' Report

To,

The Members,

Your Directors are pleased to present the 37th Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS

The financial performance of the Company is summarized below:

₹ in crore

Particulars	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations (gross)	10,802	7,674	5,391	5,176
Other Income	180	99	134	68
Operating Profit (EBITDA)	2,032	1,536	1,286	1,183
Less: (i) Finance Cost	523	77	298	72
(ii) Depreciation and Amortization Expense	529	364	254	287
Less: Exceptional items	111	-	102	-
Profit Before Tax	869	1,095	632	824
Less : Total Tax Expenses	230	300	201	234
Profit for the year	639	795	431	590

DIVIDEND

Considering the ongoing business expansion coupled with various strategic initiatives being taken by the Company, your Directors have decided not to recommend any dividend on shares for the Financial Year ended 31st March 2017. Accordingly, no amount from the profit of the Company has been transferred to the General Reserve. However, ₹ 85.83 Crore has been transferred to Debenture Redemption Reserve during the year under review (previous year: ₹ 14.25 Crore).

BUSINESS ACQUISITIONS

During the year under review, Nirma, through its wholly owned subsidiary, Nirchem Cement Limited, entered into an agreement with the Lafarge Holcim group for purchase of 100% stake in Lafarge India Ltd ("Lafarge") with installed capacity for cement of around 10.8 MTPA in Eastern and Northern India together with the pan India RMX business at an enterprise value of over ₹ 9000 Crore. Nirchem Cement Ltd acquired 100% equity shares of Lafarge (now Nuvoco Vistas Corporation Limited ("Nuvoco")) on 4th October 2016. Nuvoco has a strong market position in eastern India and has sound operating efficiency and currently operates 6 cement plants in India. The acquisition has lent diversity to the business profile of the Company and makes it a significant player in the cement business.

FINANCIAL PERFORMANCE

The performance of your company continued to be noteworthy despite challenging business environment and competition emanating out of a healthy market position in cement, soda ash and soaps & detergent businesses.

The financial year 2016-17 under review is for the period of 12 months commencing from 1st April, 2016 to 31st March, 2017. As mandated by Ministry of Corporate Affairs, the Company has adopted the IND AS for the financial year commencing from 1st April 2016. The estimates and judgments relating to the financial statements are made on prudent basis so as to reflect, in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March 2017.

Consolidated financial performance: The previous year's Consolidated financials are not comparable to the current year financials, which include the financials of Nuvoco w.e.f. 4th October 2016. The Consolidated income reflects the revenues derived from soaps & surfactants, process minerals and Cement. Your Company achieved Gross Revenue from operations of ₹ 10,802 Crore for the financial year ended 31st March, 2017. The Earning before Finance Cost, Taxes, Depreciation and Amortisation (EBITDA) for the year stood at ₹ 2,032 Crore. Your Company achieved a Net Profit after Tax of ₹ 639 Crore during the year under review.

The Net Worth of the Company on a consolidated basis stood at ₹ 9,415 Crore as on 31st March, 2017.

Standalone financial performance: Your Company's Gross Revenue from Operations increased to ₹ 5,391 Crore during the year as compared to ₹ 5,176 Crore of the previous year registering a moderate growth over the previous year. The Earning before Finance Cost, Taxes, Depreciation and Amortisation (EBITDA) increased to ₹ 1,286 Crore from ₹ 1,183 Crore during the previous year. Your Company registered a Net Profit of ₹ 431 Crore for the financial year under review as compared to ₹ 590 Crore of previous year registering a decline mainly on account of increase in the finance cost and write-off of certain assets with respect to the Company's cement project at Mahuva, Gujarat as a measure of prudence.

BUSINESS OVERVIEW

Your Company is one of the largest integrated manufacturers of fast moving consumer goods and chemicals in India with a diversified portfolio of Soaps and Surfactants, Chemicals, Cement, allied products and Processed Minerals.

Soaps & Surfactants: This business segment includes Indian operations of the Company such as Soaps and Detergents as well as key chemicals (Soda Ash, LAB & Others) and packaging required in their manufacture. The Company manufactures a range of chemicals including Synthetic Soda Ash, Normal Paraffin, Linear Alkyl Benzene (LAB), Sulfuric Acid, Alpha Olefin Sulphonate, Glycerin and Fatty Acid.

Backward integration is a major strength of the Company. The key raw materials, including Soda Ash and Linear Alkyl Benzene (LAB) are used to make detergents. Captive production of raw materials ensures timely and adequate supply and provides greater control over quality and cost. In spite of intense competition in the detergent business, a strong brand and high sales penetration has helped the Company to maintain its position over the medium term.

The Company has witnessed strong growth in its Soda Ash and Caustic soda operations backed by captive salt, limestone and power over the period of time. 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.

The Company is fully exploiting its advantage of captive salt, proximity to port and low cost captive power in for its caustic soda operations.

SSP and Salt: 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 MTPA cement and 1.48 MTPA clinkerization and sells cement under the Nirmax brand through a network of over 1000 dealers Post-acquisition of Nuvoco, the consolidated installed capacity for cement has been increased to 13.08 MTPA.

India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Demand 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.

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.

FINANCE

Your Company continues to focus on effective planning towards the timely availability of finance at competitive rates. 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.

During the year under review, the company has undertaken Long term financing in the form of Non-Convertible Debentures (NCDs) and Rupee term loans.

Secured, Listed, Non-Convertible Debentures (NCDs) aggregating to ₹ 990 Crore were issued on a private placement basis(in two equal tranches) with a view to finance/ refinance future / past capex respectively whereas NCDs aggregating to ₹ 1000 Crore were issued on private placement basis for General corporate purpose and refinancing of long term bank borrowings. These NCDs are listed on Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited (“NSE”). Further your Company has fully redeemed 8.85%, 600 of Secured, Unlisted, Non-convertible, Non-cumulative Taxable Debentures Series - B/13-14 of face value of ₹ 10 Lakh each aggregating to ₹ 60 Crore during the year under review.

The Company raised an amount of ₹ 2500 Crore by way of loans from Banks to finance its capex plans including refinancing of specific capex, out of which the company has refinanced Rupee Term loan with NCD for ₹ 1000 Crore to optimize its interest cost.

Working capital consortium arrangement of the company is under re-constitution with proposed induction of YES Bank limited and Mizuho Bank Limited and exit of CA-CIB (Credit Agricole). We thank Credit Agricole for their association with the Company over the last many years. The company was able to contain interest costs through the competitive sourcing of working capital borrowings.

CRISIL has changed its outlook from Stable to Negative considering the acquisition of Nuvoco Vistas Corporation Limited (“Nuvoco”) (formerly known as Lafarge India Limited). As on 31st March 2017, the Company continues to have “AA/Negative” for Long Term Rating and “A1+” for Short Term Rating from CRISIL. The Company has also obtained Credit rating from ICRA for the NCDs issued in March 2017 and on the Commercial Paper. ICRA has assigned “AA/Negative” for Long Term Rating and “A1+” for Short Term rating.

EXPANSION PROJECTS / INITIATIVES

The Company has increased its capacity plans in response to growing demand for Soda Ash and Caustic Soda. During the year, your Company commissioned ;

- 600 TPD expansion of Soda Ash in March 2017 taking the total capacity to 2400 TPD, and the 270 TPD expansion of Caustic Soda in February, 2017 taking the total capacity to 570 TPD and 82 MW of Captive power capacity
- In addition, projects like increase in the existing capacity of Sea Water Desalination, additional power plant at Porbandar, 200 TPD Refined Bi-carbonate plant, 50 TPD Purified Phosphoric Acid and Bromine capacity expansion from 10 TPD to 20 TPD are under various stages of commissioning.

Your Company is at the cusp of fueling further growth over the next few years supported by strong & sustained cash flows from its existing businesses.

SHARE CAPITAL

During the year your, Company has early redeemed at par its 10,00,00,000 5% Non-Cumulative Non-Convertible Preference Shares of ₹ 1/- each aggregating to ₹ 10 Crore issued on 13th June 2015 as per the terms of issue of Preference shares

There is no change in equity share capital during the year under review.

DIRECTORS

The members at the Annual General Meeting of the Company held on 30th July, 2016, have accorded their consent for re-appointment of Shri Hiren K. Patel (DIN: 00145149) as the Managing Director of the Company for a period of five years w.e.f. 1st May 2016.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Hiren K. Patel (DIN: 00145149) 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 reappointment. Shri Rajendra D. Shah (DIN: 00386161) ceased to be a "Director" of the Company w.e.f. 18th January 2017 due to resignation. Your directors express their appreciation for the valuable services rendered by him during his association with the Company.

The members at the Extra Ordinary General Meeting of the Company held on 22nd February, 2017, have re-appointed Shri Pankaj R. Patel (DIN 00131852) and Shri Chinubhai R. Shah (DIN 00558310) as Independent Directors of the Company for second term of five years starting from 1st April, 2017 to 31st March, 2022.

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.

There has been no change in Key Managerial Personnel during the year under review.

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, 2017;

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.

SUBSIDIARY COMPANIES

Karnavati Holdings Inc., Searles Valley Minerals Inc., Searles Domestic Water Company LLC, Trona Railway Company LLC and Searles Valley Minerals Europe continued to be subsidiaries of the Company.

During the year under review "Nirchem Cement Limited" ("NCL") was promoted and incorporated as a wholly owned subsidiary of the Company, which has acquired 100% equity of "Nuvoco Vistas Corporation Limited" (formerly known as Lafarge India Limited) ("Nuvoco"). On such acquisition "Nuvoco" and "Rima Eastern Cement Limited" (formerly known as Lafarge Eastern India Limited) (wholly owned subsidiary of Nuvoco) became step down subsidiaries of your Company.

After closure of the year under review, "Nirchem Cement Limited" has been amalgamated with "Nuvoco Vistas Corporation Limited",with the appointed date being 4th October 2016 vide the order dated 6th April, 2017 of "The National Company Law Tribunal", Mumbai Bench.

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

COMMITTEES

The Board of the company has constituted required statutory committees, to carry out clearly defined roles, which were considered to be performed by the committees. The Committee meets 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.

The Audit Committee and 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 Board has re-constituted Audit Committee after the end of the financial year under review by inducting Shri Shailesh V. Sonara, Director (Environment & Safety) as member of the Committee vice Shri Kaushikbhai N. Patel. 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. 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.

Nomination and Remuneration Policy

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 individual performance pay is measured through the annual appraisal process. In accordance with the policy, the Nomination and Remuneration Committee has the following responsibilities:

1. Formulating criteria for determining qualifications, positive attributes and independence of a Director.
2. Identification of the persons who are qualified to become Directors and ascertaining the integrity, qualification, expertise and experience of the person for appointment of Directors / KMP / Senior Management and evaluation of Director's performance.
3. Recommendation and Nomination of candidates for Directorship subject to the approval of the Board.
4. Payment of remuneration / sitting fees to the Directors / KMP / Senior Management in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder.
5. Recommendation with reasons recorded in writing for removal of Directors / KMP / Senior Management.
6. Issuance of guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of the policy as considered appropriate.

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

M/s. Hemanshu Shah & Co., Chartered Accountants, Ahmedabad was appointed as Auditors at Company's 36th Annual General Meeting held on 30th July 2016, to hold office up to the conclusion of the 37th Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the term of M/s. Hemanshu Shah & Co, Chartered Accountant shall come to an end on conclusion of 37th Annual General Meeting of the Company. The Board places on record, its appreciation for the contribution of M/s. Hemanshu Shah & Co, Chartered Accountants, during their tenure as the Auditors of the Company.

M/s. Rajendra D. Shah & Co., Chartered Accountants are proposed to be 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, subject to ratification by shareholders every year, in place of M/s. Hemanshu Shah & Co., Chartered Accountants. The Company has received letter from M/s. Rajendra D. Shah & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for appointment.

The Board of Directors recommend the appointment of M/s. Rajendra D. Shah & Co., Chartered Accountants, as Auditors of the Company from the conclusion of the 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting for the approval of the members of the Company.

The Auditors' Report for the financial year ended 31st March, 2017 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.

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 2017-18.

As required under the Act and Rules made thereunder, the remuneration payable to the Cost Auditors is required to be placed before the Members in ensuing Annual General Meeting for ratification. Accordingly, a resolution seeking ratification by members for the remuneration payable to Shri Bhalchandra C. Desai shall forms part of the Notice convening the Annual General Meeting.

SECRETARIAL AUDIT

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 2016-17. 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.

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

The Company has continued to maintain harmonious and cordial relations with its officers, supervisors and workers enabling the Company to improve the pace of growth. 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, 2017 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) Rules, 2014 for the year ended 31st March, 2017 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.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, the meetings of Board of Directors were held on 17th May, 2016, 28th June, 2016, 29th August, 2016, 7th September, 2016, 13th December, 2016, 14th February, 2017 and 22nd February, 2017.

INSURANCE

Assets of the Company are adequately insured.

VIGIL MECHANISM

Pursuant to provisions of Section 177 (9) and (10) of the Companies Act, 2013 read with rules framed there under, your Company has framed a Vigil Mechanism to report genuine concerns or grievances of all Directors and employees. It provides for adequate safeguards against victimization of persons who use such mechanism.

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

During the year under review, the Company has entered into contracts / Arrangements / Transactions with Related Parties. All Related Party Transactions were placed before the Audit Committee for review and approval. Prior omnibus approval has been obtained for Related Party Transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. Approval of Board has been obtained for Related Party Transactions wherever required. Since the Related Party transactions entered into by the Company during the year under review were on arms' length basis and there were no material contracts or arrangement or transactions entered into, 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

Effective risk management practices, support accountability, performance measurement enables efficiency at all levels. Some risks are inherent in every business, according to the nature of business they are to be controlled, mitigated and managed. Your Company ensures that all foreseeable risks involved are actually understood in every important decision making process. The management of the Company continuously monitors new / ongoing projects to ensure that they continue to develop satisfactorily.

The Company's approach to addressing business, liquidity and financial risks is comprehensive and includes continuous monitoring by adequate controls system in place so as to ensure sufficient liquidity to meet its liability under both normal and stressed conditions. The Internal Audit Department has continuous oversight on financial and accounting areas. The audit observations and action taken thereon are regularly reviewed by the audit committee to ensure effective internal control.

The Company has adequately ensured its assets against various risks. The Company has commensurate infrastructure and IT support to effectively manage information system software, which provides greater degree of flexibility to users and stability to management reporting system effectively and efficiently.

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

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards as applicable to the Company. The Consolidated Financial Statements presented by the Company include financial results of its subsidiaries.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has carried out the performance evaluation of its own performance, independent Directors excluding independent director being evaluated, as well as evaluation of working of its Board committees. The Chairman provided feedback on the performance evaluation of the entire board and its committee, the Board thereafter expressed their satisfaction on the performance evaluation. The Nomination and Remuneration Committee of the Company has also carried out performance evaluation of every Director.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole including its committees and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the director being evaluated.

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, 2017. However, the Company has received a loan of ₹ 519.78 Crore from Promoter Directors from time to time during the year @ 8% interest p.a. to meet the timely business requirements of the

Company, out of which ₹ 296.68 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 would like to express their appreciation for the assistance and cooperation received from 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.

For and on behalf of the Board

Place : Ahmedabad
Date : 25th May, 2017

Dr. K.K. Patel
Chairman

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:

Adopting energy conservation is premier tool for sustainability of every industry. The Company has taken all necessary steps towards the conservation of energy at the inception of the plant. The measures taken during the year by your Company have been briefly enumerated as below:

- The Company has 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.
- The Company has adopted dual pumping system in residential township and installed the STP to reuse the treated water in flushing as well as for greenbelt development.
- All the power consuming equipment in plants were used at its' maximum efficiency, which reduced the auxiliary power/electricity consumption.
- Energy audit conducted by plant level as well as by third party to continuously get updates in the energy conservation method.

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.

- The company has adopted and established the wind mill energy as alternate source for electricity. The Company has developed 5.7 MW wind mill farm at village – Dhank Dist. Rajkot and utilizing the same in Mandali plant.
- The company has also considered the Solar energy based lightening arrangement in plant premises area, residential township area and plant surrounding habitats.

iii) Capital investment on energy conservation equipment:

Nil

(B) Technology Absorption:

i) Efforts made towards technology absorption:

The Company has adopted the latest technology in its expansion 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 upcoming projects of Sodium Bicarbonate and Phosphoric Acid, the technology and equipments 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:

- Avoids usage of hazardous Hydro Fluoric (HF) acid
- Improves product quality
- 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	2016-17	2015-16
Foreign Exchange Earned	101.90	43.26
Foreign Exchange Expenditure	42.55	42.91
C.I. F value of import	823.80	439.52

For and on behalf of the Board

Place : Ahmedabad
Date : 25th May, 2017

Dr. K.K. Patel
Chairman

ANNEXURE - II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

[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, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2017, according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 2016-17 on private placement basis in accordance with the provisions of the sections 42, 71 and 179(3) of the Companies Act, 2013 and other applicable provisions & regulations, if any:

i. 4950 Secured, Rated, Listed, redeemable, Non-convertible Debentures (‘NCDs’) Series I with face value of ₹ 10,00,000/- each aggregating to ₹ 4,95,00,00,000/-

ii. 4950 Secured, Rated, Listed, redeemable, Non-convertible Debentures ('NCDs') Series II with face value of ₹ 10,00,000/- each aggregating to ₹ 4,95,00,00,000/-

iii. 10000, secured, listed, rated, redeemable, non-convertible debentures ('NCDs') Series III with face value of ₹ 10,00,000/- each aggregating to ₹ 10,00,00,00,000/-

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, the Company has redeemed 10,00,00,000 5% Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 1/- each aggregating to ₹ 10,00,00,000/- at par.

For Rachchh & Rachchha
Company Secretaries

Place : Ahmedabad
Date : 25th May, 2017

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

Annexure to Secretarial Audit Report

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, 2017

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, 2017

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

I. REGISTRATION AND OTHER DETAILS:

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 Debentures are listed
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 5th floor, 506 to 508 Amarnath Business Centre-1 Off. C. G. Road, Ellisbridge, Ahmedabad – 380006. Contact No. 079 - 2646 5179 Email : ahmedabad@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	305.3	34.94
2	Detergent	305.3	21.36
3	Cement	324.2	12.20

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, Mumbai City, Maharashtra, India, 40005	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 Marg, Kurla Mumbai City MH 400070 IN	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 City MH 400070 IN	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)

**"Nirchem Cement Limited" ("NCL")was incorporated on 02.08.2016 as Wholly Owned Subsidiary. NCL has acquired 100% equity shares of "Nuvoco Vistas Corporation Limited" (formerly known as Lafarge India Limited) ("Nuvoco") on 04.10.2016. Accordingly, Nuvoco has become fellow subsidiary w.e.f. 04.10.2016. NCL later amalgamated with Nuvoco with effective date of 19.04.2017. Consequently, NCL ceased to be a WOS w.e.f. 19.04.2017.*

IV. SHAREHOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on March 31, 2016)				No. of Shares held at the end of the year (As on March 31, 2017)				% 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 ₹ 1 Lac	0	0	0	0	0	0	0	0	0.00
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 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**

**including 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, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% 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	0.00
2	Rakesh K. Patel	34744224*	23.78	0	34744224*	23.78	0	0.00
3	Hiren K. Patel	26947280*	18.45	0	26947280*	18.45	0	0.00
4	Shantaben K. Patel	27618401*	18.91	0	27618401*	18.91	0	0.00
	Total	**146075130**	**100.00**	**0**	**146075130**	**100.00**	**0**	**0.00**

**including shares held as Trustee of Trusts*

iii) Change in Promoters' Share Holding

Sr.	Particulars	Shareholding at the beginning of the year (As on April 1, 2016)		Cumulative Shareholding during the year	
		No. of Shares*	% of total shares of the Company	No. of Shares*	% of total shares of the Company
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	0	0.00	0	0.00
	At the end of the year	10600800	7.26	10600800	7.26
3	**Hiren K. Patel**				
	At the beginning of the year	10942080	7.49	10942080	7.49
	Increase / (Decrease) during the year	0	0.00	0	0.00
	At the end of the year	10942080	7.49	10942080	7.49
4	**Shantaben K. Patel**				
	At the beginning of the year	27618401	18.91	27618401	18.91
	Increase / (Decrease) during the year	0	0.00	0	0.00
	At the end of the year	27618401	18.91	27618401	18.91

** Shares held in individual capacity*

There has been no change in the shareholding of the promoters during the year.

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, 2016)		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, 2016)		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 $					
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	0	0.00	0	0.00
	At the end of the year	10600800	7.26	10600800	7.26
3	**Hiren K. Patel**				
	At the beginning of the year	10942080	7.49	10942080	7.49
	Increase / (Decrease) during the year	0	0.00	0	0.00
	At the end of the year	10942080	7.49	10942080	7.49

** Shares held in individual capacity*

$ 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.

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	374.34	668.99	126.14	1,169.47
2. Interest due but not paid	0	0	0	0
3. Interest accrued but not due	16.64	0.06	0	16.7
Total (1+2+3)	**390.98**	**669.05**	**126.14**	**1,186.17**
Change in Indebtedness during the financial year				
Addition	3,713.17	1,014.85	12.31	4,740.33
Reduction	16.64	0.06	0	16.7
Net Change	3,696.53	1,014.79	12.31	4,723.63
Indebtedness at the end 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**

** 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	1.70	0.12	1.82
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.11	Nil	0.11
	(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	1.66	0.04	1.70
	Total (A)	3.47	0.16	3.63
	Ceiling as per the Act	₹ 61.70 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	80,000	100,000	90,000	75,000	345,000
	Commission	Nil	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil	Nil
	Total (1)	**80,000**	**100,000**	**90,000**	**75,000**	**345,000**
2	Other Non-Executive Directors	Shri Karsanbhai K. Patel	Shri Rakesh K. Patel	Shri Kaushikbhai N. Patel	Shri Rajendra D. Shah (Resigned w.e.f. 18.01.2017)	
	Fees for attending Board / Committee meetings	100,000	100000	100000	50,000	350,000
	Commission	Nil	Nil	Nil	Nil	Nil
	Others	119,508	122,096	Nil	Nil	241604
	Total (2)	**219,508**	**222,096**	**100,000**	**50,000**	**591,604**
	Total (B)= (1+2)					**936,604**
	Overall ceiling as per the Act	₹ 6.17 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	Shri Paresh B. Sheth	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0.46	0.24	0.70
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	(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	0.11	0.07	0.18
	Total	**0.57**	**0.31**	**0.88**

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(2) & 5(3) 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 2016-17 and the percentage increase in remuneration of each Director, CFO, CS in the financial year 2016-17*

Name of the Director	Ratio of remuneration of each Director to median remuneration of the employees for FY 2016-17	% Increase in Remuneration of each Director, CFO, CS in FY 2016-17
Shri. Hiren K. Patel	61.59	183%
Shri Shailesh V. Sonara	4.35	43%
Shri K. K. Patel	0.43	125%
Shri Rakesh K. Patel	0.44	112%
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 D. Shah** (resigned w.e.f. 18th January, 2017)	N.A.	N.A.
Shri Rajendra J. Joshipara (CFO)	--	9%
Shri Paresh B. Sheth (CS)	--	12%

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

** Not applicable since they were paid only sitting fees during FY 2016-17.

II. The median remuneration of the employees has increased by 11.58% in the financial Year 2016-17

III. Number of permanent employees on the rolls of the company as the end of financial year 2016-17 were 4833.

IV. Average percentile increase in the salaries of employees other than the managerial personnel in the financial year was 13.5%, whereas the percentile increase in the managerial remuneration in the financial year was 86%

Increase in remuneration as above was in line with the approval of the Nomination and remuneration Committee, Board of Directors and Shareholders of the Company as may be required and in line with the Company's policy, individual performance, Company's performance, inflation, prevailing industry trends and benchmarks.

V. The company affirms that the remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board

Place : Ahmedabad.
Date : 25th May, 2017

Dr. K. K. PATEL
Chairman

ANNEXURE - V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

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 objectives, thrust areas 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, which is also within the framework of Schedule VII of the Companies Act, 2013. The Company has undertaken CSR activities mainly relating to Promoting education, Promoting preventive health care, sanitation & Rural Development, Making available Safe Drinking water, Animal welfare and measures for the benefit of armed forces veterans, war widows and their dependents.

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 ₹ 480.69 Crore.

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

   The Company is required to spend ₹ 9.61 crore towards CSR for the financial year 2016-17

5. Details of CSR spent during the financial year.

   a. Total amount to be spent for the financial year ₹ 9.61 crore

   b. Amount unspent, if any: Nil

   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/ Institutions/ schools for promoting education, distribution of education kit etc.	Promoting education, including special education and vocation skills.	Ahmedabad, Baroda, Bhavnagar(Gujarat) and Nimbol (Rajasthan)	2.15	2.15	2.15	Directly and through implementing agency -Charitable Trust of Rotary Club of Kankaria, Nirma Education and Research Foundation
2	Donation to trust / grampanchayat for Education, Healthcare, Rural Development purpose	Promoting education, & Promoting preventive health care, sanitation& Rural Development.	Ahmedabad, Bhavnagar,Rajkot(Gujarat), Nimbol (Rajasthan)	1.35	1.35	1.35	Directly and through implementing Agency - Gram Panchayat Nimbol&Digarana, Shri Khodaldham Trust Kagvad, Shree BhagvatVidhyapith Trust
3	Contribution for building multi-specialty hospital, Health Check-up and Medical Check-up for poor people and Health awareness programs	Promoting preventive health Care and sanitation.	Ahmedabad,Surat (Gujarat) and Nimbol (Rajasthan)	5.00	5.00	5.00	Directly and through implementing agency - SamastPatidarArogya Trust

₹ 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	Drinking water facility	Making available Safe Drinking water	Nimbol (Rajasthan)	0.01	0.01	0.01	Directly
5	Various Civil work	Rural Development	Bhavnagar (Gujarat), Nimbol (Rajasthan)	0.47	0.47	0.47	Directly
6	Animal Protection and Welfare	Animal welfare	Ahmedabad, Bhavnagar, PatanSiddhpur(Gujarat)	0.12	0.12	0.12	Directly & Through implementing Agency - Param Pujya Dongereji Maharaj Lalan Gaushala Trust
7	Donation to Army Welfare Fund Battle Causalities	Measures for the benefit of armed forces veterans, war widows and their dependents	N.A.	0.51	0.51	0.51	Through Army Welfare Fund

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.

   Not applicable

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, 2017

Hiren K. Patel
Managing Director

Dr. K. K. PATEL
Chairman
CSR Committee

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, 2017 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, 2017, 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 54 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 comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our report for the year ended 31st March, 2016 and 31st March, 2015 dated 17th May 2016 and 13th June 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

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 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.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) 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. 43

ii. The Company has made provision as at 31st March, 2017 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, 2017.

iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produces to us by the Management. Refer Note No. 58

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No. 122439W

Place : Ahmedabad
Date : May 25, 2017

H. C. Shah
Proprietor
Membership No. 36441

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 fixed assets;

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 were in the name of Company except land of Rs. 98.54 crore acquired on amalgamation. The said land is since transferred in the name of the Company.

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 granted an unsecured loan to one wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013.

a) The terms and conditions on which loan has been granted to the borrower company covered under Section 189 of the Companies Act, 2013 is not, prima facie, prejudicial to the interest of the company.

b) In respect of aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the borrower company is repaying the principal amount, as stipulated, and is also regular in payment of interest as applicable.

c) In respect of aforesaid loan, there is no amount which is overdue.

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 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, Cess and any other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2017 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, 2017:

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	Commissioner of Income tax(Appeal)	101.62
2	Central Sales Tax Act and Sales Tax Act of various states	Central Sales Tax and Sales Tax	Commissioner (Appeals)	31.10
			Appellate Board	1.14
			Tribunal	2.21
			High court	2.63
3	Finance Act,1994 (Service Tax)	Service Tax	Commissioner (Appeals)	1.49
			Tribunal	2.18
4	Customs Duty Act,1962	Customs Duty	Commissioner (Appeals)	12.95
			Tribunal	6.75
			High court	1.05
5	Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	0.12
			Tribunal	0.02
			High court	0.09
6	Wealth Tax Act, 1957	Wealth Tax	Assessing Officer	(₹ 11,547)

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 and term loans 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.

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, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

Place : Ahmedabad
Date : May 25, 2017

H. C. Shah
Proprietor
Membership No.36441

BALANCE SHEET AS AT 31ST MARCH 2017

₹ in crore

Particulars	Note No	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
I ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment	2	**4,206.95**	2,842.51	2,765.21
(b) Capital work-in-progress	2	**153.70**	625.95	347.81
(c) Investment Property	3	**10.30**	10.30	10.30
(d) Goodwill	4	**Nil**	Nil	Nil
(e) Other Intangible assets	5	**14.83**	12.48	9.24
(f) Investments in subsidiaries	6	**4,543.02**	533.38	533.38
(g) Financial assets				
(i) Investments	7	**64.17**	68.43	55.57
(ii) Loans	8	**313.50**	2.68	3.05
(iii) Other financial assets	9	**3.13**	3.10	19.94
(h) Other non current assets	10	**37.80**	138.55	32.24
Total non current assets		**9,347.40**	4,237.38	3,776.74
2 Current Assets				
(a) Inventories	11	**1,105.65**	810.94	820.04
(b) Financial assets				
(i) Investments	12	**Nil**	140.00	105.00
(ii) Trade receivables	13	**468.73**	474.28	377.75
(iii) Cash and cash equivalents	14	**52.62**	37.40	13.84
(iv) Bank balances other than (iii) above	15	**20.42**	19.53	4.65
(v) Loans	16	**73.42**	46.37	208.05
(vi) Other financial assets	17	**10.29**	11.01	9.63
(c) Current tax assets (Net)	18	**Nil**	Nil	95.87
(d) Other current assets	19	**214.26**	140.72	176.34
Total current assets		**1,945.39**	1,680.25	1,811.17
TOTAL ASSETS		**11,292.79**	5,917.63	5,587.91
II EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	20	**73.04**	73.04	77.87
(b) Other equity	21	**4,163.69**	3,723.31	3,397.75
Total equity		**4,236.73**	3,796.35	3,475.62
LIABILITIES				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	22	**4,549.40**	523.77	735.19
(ii) Other financial liabilities	23	**138.47**	126.17	116.22
(b) Provisions	24	**67.52**	45.16	40.60
(c) Deferred tax liabilities (Net)	25	**238.56**	173.45	108.99
(d) Other non-current liabilities		**Nil**	Nil	Nil
Total non current liabilities		**4,993.95**	868.55	1,001.00
2 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	26	**1,041.40**	409.58	572.00
(ii) Trade payables	27	**238.85**	265.51	190.35
(iii) Other financial liabilities	28	**339.64**	233.45	224.29
(b) Other current liabilities	29	**120.19**	167.34	115.33
(c) Provisions	30	**13.68**	9.21	9.32
(d) Current tax liabilities (Net)	31	**308.35**	167.64	Nil
Total current liabilities		**2,062.11**	1,252.73	1,111.29
Total liabilities		**7,056.06**	2,121.28	2,112.29
TOTAL EQUITY AND LIABILITIES		**11,292.79**	5,917.63	5,587.91
Significant Accounting Policies	1			
The accompanying Notes 2 to 65 are an integral part of the Financial Statements.				

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

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

₹ in crore

	Particulars	Note No	2016-2017	2015-2016
I	Revenue from operations	32	**5,391.42**	5,176.37
II	Other income	33	**133.50**	67.82
III	**Total Income (I+II)**		**5,524.92**	5,244.19
IV	**Expenses**			
	(a) Cost of materials consumed	34	**1,530.97**	1,444.99
	(b) Purchases of stock in trade		**53.63**	31.48
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	35	**(29.45)**	79.46
	(d) Excise duty		**597.11**	587.63
	(e) Employee benefits expenses	36	**298.22**	276.49
	(f) Finance costs	37	**297.44**	72.12
	(g) Depreciation and amortisation expenses	38	**253.89**	287.60
	(h) Other expenses	39	**1,788.82**	1,640.91
	Total Expenses (IV)		**4,790.63**	4,420.68
V	**Profit before exceptional items and tax (III-IV)**		**734.29**	823.51
VI	Exceptional items		**102.13**	Nil
VII	**Profit before tax (V-VI)**		**632.16**	823.51
VIII	**Tax expense**	40		
	(a) Current tax		**135.50**	175.00
	(b) Tax expenses relating to earlier year		**(1.00)**	(5.33)
	(c) MAT credit utilised/(entitlement)		**(111.00)**	20.00
	(d) MAT credit entitlement relating to earlier year		**(46.76)**	(14.91)
	(e) Deferred tax		**224.04**	59.25
	Total Tax Expenses		**200.78**	234.01
IX	**Profit for the year from continuing operations (VII-VIII)**		**431.38**	589.50
X	**Other Comprehensive income**	41		
	(a) Items that will not be reclassified to profit or loss		**7.84**	13.15
	(b) Income tax relating to Items that will not be reclassified to profit or loss		**1.16**	(0.12)
	(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		**9.00**	13.03
XI	**Total Comprehensive income for the year (IX+X)**		**440.38**	602.53
XII	**Earnings per equity share**	53		
	(i) Basic (in ₹)		**29.53**	38.06
	(ii) Diluted (in ₹)		**29.53**	38.06
	Significant Accounting Policies The accompanying Notes 2 to 65 are an integral part of the Financial Statements.	1		

As per our report of even date

For and on behalf of the Board

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

H. C. SHAH
Proprietor
Membership No.36441

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2017

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity share capital

Equity shares of ₹ 5 each

₹ in crore

Particulars	As at 1st April, 2015	Changes in equity share capital during 2015-2016	As at 31st March, 2016	Changes in equity share capital during 2016-2017	As at 31st March, 2017
	77.87	4.83	73.04	Nil	73.04

B. Other equity as at 31st March, 2017

₹ 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	Statutory Reserves	Remeasurements of defined benefit plans	Equity instruments through other comprehensive Income	
Balance at April 1, 2015	328.17	29.81	27.52	40.11	2,167.37	1.17	744.42	26.42	Nil	32.76	3,397.75
Retained earning during the year	Nil	Nil	Nil	Nil	Nil	Nil	589.50	Nil	Nil	Nil	589.50
Other comprehensive income during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	13.03	13.03
Transfer to Other comprehensive income	Nil	Nil	Nil	Nil	Nil	Nil	(0.65)	Nil	Nil	Nil	(0.65)
Transfer from Retained earnings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.65	Nil	0.65
Total comprehensive income for the year	Nil	Nil	Nil	Nil	Nil	Nil	588.85	Nil	0.65	13.03	602.53
Premium paid on Buy-back of Equity shares	Nil	Nil	Nil	Nil	(225.05)	Nil	Nil	Nil	Nil	Nil	(225.05)
Dividend Distribution Tax on buy-back	Nil	Nil	Nil	Nil	(51.92)	Nil	Nil	Nil	Nil	Nil	(51.92)
Transfer from Debenture Redemption Reserve to General Reserve on redemption of debentures	Nil	Nil	Nil	(13.83)	13.83	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to General reserve from Statutory Reserve	Nil	Nil	Nil	Nil	26.42	Nil	Nil	(26.42)	Nil	Nil	Nil
Creation of Debenture Redemption Reserve from Retained Earnings	Nil	Nil	Nil	14.25	Nil	Nil	(14.25)	Nil	Nil	Nil	Nil
Transfer from General Reserve to Capital Redemption reserve on buyback of equity shares	Nil	Nil	4.83	Nil	(4.83)	Nil	Nil	Nil	Nil	Nil	Nil
Balance at March 31, 2016	328.17	29.81	32.35	40.53	1,925.82	1.17	1,319.02	Nil	0.65	45.79	3,723.31
Balance at April 1, 2016	**328.17**	**29.81**	**32.35**	**40.53**	**1,925.82**	**1.17**	**1,319.02**	**Nil**	**0.65**	**45.79**	**3,723.31**
Retained earning during the year	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**431.38**	**Nil**	**Nil**	**Nil**	**431.38**
Other comprehensive income for the year	**Nil**	**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**	**Nil**	**(5.17)**	**14.17**	**440.38**
Transfer from Non cash contribution from owner to retained earnings	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**(1.17)**	**1.17**	**Nil**	**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**	**Nil**
Creation of Debenture Redemption Reserve from Retained earnings	**Nil**	**Nil**	**Nil**	**85.83**	**Nil**	**Nil**	**(85.83)**	**Nil**	**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**	**Nil**
Balance at March 31, 2017	**328.17**	**29.81**	**42.35**	**112.14**	**1,940.04**	**Nil**	**1,655.74**	**Nil**	**(4.52)**	**59.96**	**4,163.69**

The accompanying Notes 1 to 65 are an integral part of the Financial Statements.

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

₹ in crore

			2016-2017	2015-2016
A	**Cash flow from operating activities :**			
	Profit before tax		**632.16**	823.51
	Adjustments for :			
	Exceptional Items		**102.13**	Nil
	Depreciation and amortisation		**253.89**	287.60
	Interest Income		**(87.55)**	(46.20)
	Finance Cost - net of capitalization		**297.44**	72.12
	Exchange fluctuation Gain/ Loss (Net)		**0.33**	0.35
	Profit/Loss on sale of Property, Plant and equipment (Net)		**(0.22)**	(0.07)
	Dividend on non current investment		**(0.55)**	(1.63)
	Provision for mines reclamation expenses		**0.62**	1.05
	Provision for doubtful loans and advances		**1.88**	Nil
	Bad debts written off		**52.48**	6.25
	Net gain on sale of current investment		**(20.44)**	(9.25)
	Unrealised gain on Financial instruments accounted through Profit and Loss		**Nil**	(2.08)
			600.01	308.14
	Operating profit before working capital changes		**1,232.17**	1,131.65
	Adjustments for :			
	(Increase)/ Decrease in trade and other receivables	(29.24)		(59.65)
	(Increase)/ Decrease in Inventories	(294.72)		(30.06)
	Decrease in trade/ other payables, provisions and other liability	42.37		105.34
			(281.59)	15.63
	Cash generated from operations		**950.58**	1,147.28
	Refund net of diret taxes paid		**5.41**	96.12
	Net cash generated from operating activities		**955.99**	1,243.40
B	**Cash flow from investing activities :**			
	Purchase of Property Plant and equipment	(1,107.53)		(587.33)
	Sale of Property Plant and equipment	0.73		3.18
	Sale of current Investments	4,152.87		1,508.82
	Sale of non current Investments	20.00		1.30
	Investment in Subsidiary Company	(4,000.00)		Nil
	Purchase of current investments	(3,992.43)		(1,532.50)
	Interest received	63.64		27.64
	Dividend on non current investment	0.55		1.63
			(4,862.17)	(577.26)
	Net cash used in investing activities		**(3,906.18)**	666.14
C	**Cash flow from financing activities :**			
	Change in loans and advances	(326.77)		58.95
	Proceeds from Short Term borrowings (Net)	579.49		(152.68)
	Proceeds from Long Term borrowings	4,040.04		Nil
	Repayment of Long Term borrowings	Nil		(214.08)
	Interest paid	(301.27)		(96.13)
	Payment on buy-back of shares	Nil		(229.88)
	Payment on account of redemption of preference shares	(10.00)		Nil
	Redemption of Debentures	(60.00)		Nil
	Unclaimed Dividend paid	(0.09)		0.08
	Net cash used in financing activities		**3,921.40**	(633.74)
	Net increase in cash and cash equivalents		**15.22**	32.40
	Net increase / (decrease) in cash and cash equivalents		**15.22**	32.40
	Cash and cash equivalents at the beginning of the year (Refer Note No. 14)		**37.40**	5.00
	Cash and cash equivalents at end of the year (Refer Note No. 14)		**52.62**	37.40
	The accompanying Notes 1 to 65 are an integral part of the Financial Statements.			

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.

As per our report of even date

For and on behalf of the Board

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

H. C. SHAH
Proprietor
Membership No.36441

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2017

Notes to standalone financial statements for the year ended 31st March, 2017

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. The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the company under Ind AS. The date of transition to Ind AS is 1 April, 2015. Refer note 65 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the company's financial position, financial performance and cash flows.

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 50)
2. Financial instruments measured at fair value through other comprehensive income (Note 50)
3. Defined benefit plans – plan assets measured at fair value (Note 48)

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.

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 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 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.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its investment properties recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

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.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

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 AS 103 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 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:

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 40 - Current tax

Note 48 - Measurement of defined benefit obligations

Note 51 - Expected credit loss for receivables

Note 50 - 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 yet effective and have not been adopted early by the Company

Ind AS 7, 'Statement of Cash Flows'

The Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 (the 'Amendment rules') on March 17, 2017, notifying amendment to Ind AS 7, 'Statement of Cash Flows'.

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

These amendments shall come into force on the 1st day of April, 2017 and company shall apply the amendments in its financial statements for annual periods beginning on or after 1 April 2017.

During initial application of the amendment in Ind AS 7, company will have to give reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Note - 2 A : PROPERTY, PLANT AND EQUIPMENT

₹ 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
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

PARTICULARS	GROSS BLOCK (at carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2015	Additions during the year	Disposal during the year	As at 31.03.2016	As at 01.04.2015	Charge for the year	Disposal during the year	As at 31.03.2016	As at 31.03.2016	As at 1.04.2015
1. Freehold land	152.20	0.36	Nil	152.56	Nil	Nil	Nil	Nil	152.56	152.20
2. Freehold mining Land	1.46	0.37	Nil	1.83	Nil	0.08	Nil	0.08	1.75	1.46
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	Nil	Nil	Nil	0.55	0.55
5. Buildings	223.27	48.74	3.00	269.01	Nil	40.71	Nil	40.71	228.30	223.27
6. Plant & equipments	2,334.95	309.26	Nil	2,644.21	Nil	228.94	Nil	228.94	2,415.27	2,334.95
7. Furniture and fixtures	7.29	1.71	Nil	9.00	Nil	1.40	Nil	1.40	7.60	7.29
8. Vehicles	28.71	5.27	0.11	33.87	Nil	5.57	Nil	5.57	28.30	28.71
9. Office equipments	2.05	2.17	Nil	4.22	Nil	1.31	Nil	1.31	2.91	2.05
10. Helicopter	14.60	Nil	Nil	14.60	Nil	9.46	Nil	9.46	5.14	14.60
Total	2,765.21	367.88	3.11	3,129.98	Nil	287.47	Nil	287.47	2,842.51	2,765.21

Note - 2 B : Property, Plant and Equipments - Gross amount as at 1st April 2015

₹ in crore

Particulars	Gross Block	Accumulated Depreciation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Freehold Land	152.20	Nil	152.20
Freehold mining Land	1.52	0.06	1.46
Leasehold land (permanent)	0.28	0.15	0.13
Leasehold Land	0.56	0.01	0.55
Buildings	386.64	163.37	223.27
Plant and machinery	4,692.36	2,357.41	2,334.95
Furniture and fixtures	25.87	18.58	7.29
Vehicles	63.95	35.24	28.71
Office equipments	9.30	7.25	2.05
Helicopter	47.24	32.64	14.60
Total	5,379.92	2,614.71	2,765.21

Note - 2 C : CAPITAL WORK-IN-PROGRESS

₹ 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**

Particulars	As at 01.04.2015	Additions during the year	Transfer during the year	written off during the year	As at 31.03.2016
Capital work-in-progress	347.81	608.17	330.03	Nil	625.95

Notes :

I. Building includes (₹ 1000) (₹ 1000 as at March 31, 2016, ₹ 1000 as at April 01, 2015) in respect of shares held in co-op housing society.

II. Addition to block of Plant and equipments and othes includes interest capitalised during the year ₹ 80.11 crore (₹ 33.91 crore as at March 31, 2016, ₹ 72.87 crore as at April 01, 2015).

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. Refer note 2 B for the gross block value and the accumulated depreciation on April 1, 2015 under IGAAP.

IV. Previously under Indian GAAP, fixed assets (other than investments) were stated at cost, net of modvate, less accumulated depreciation and accumulated impairment losses. The company has elected to regard IGAAP carrying values as deemed cost at the transition date owing to exemption given in Para D7AA of Ind AS 101 - First time adoption of Indian accounting standards.

V. Land of ₹ 98.54 crore (₹98.54 Crore as at March 31, 2016, ₹ 98.54 Crore as at April 01,2015) acquired on amalgamation are yet to be transferred in the name of the company. The same is since transferred.

VI. Refer note no.42 for information on property, plant and equipment pledge as security by the Company.

VII. Refer note no.43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

VIII. Refer note no.46 for capitalisation of expenses.

IX. Refer note no.55 & 56 for assets written off.

NOTE - 3 : INVESTMENT PROPERTY

₹ 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

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2015	Additions during the year	Disposal during the year	As at 31.03.2016	As at 01.04.2015	Charge for the year	Disposal during the year	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
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 (₹ 50.34 crore as at March 31,2016, ₹ 45.16 crore as at April 01, 2015).

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.

III. The company has availed the deemed cost exemption in relation to the Investment property on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Investment property - Gross amount as at 1st April 2015

₹ in crore

PARTICULARS	Gross Block	Accumulated Depreciation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Land	10.30	Nil	10.30
Total	10.30	Nil	10.30

NOTE - 4 : GOODWILL

Intangible assets - Gross amount as at 1st April 2015

₹ in crore

PARTICULARS	Gross Block	Accumulated Amortisation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Goodwill	1.57	1.57	Nil
Goodwill on amalgamation	92.14	92.14	Nil

NOTE - 5 : OTHER INTANGIBLE ASSETS

₹ 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

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED AMORTISATION				NET BLOCK	
	As at 01.04.2015	Addition during the year	Disposal during the year	As at 31.03.2016	As at 01.04.2015	Charge for the year	Disposal during the year	As at 31.03.2016	As at 31.03.2016	As at 1.04.2015
Mining rights	9.23	3.37	Nil	12.60	Nil	0.13	Nil	0.13	12.47	9.23
Lease and license rights	0.01	Nil	Nil	0.01	Nil	(₹ 2,682)	Nil	(₹ 2,682)	0.01	0.01
Total	9.24	3.37	Nil	12.61	Nil	0.13	Nil	0.13	12.48	9.24

Note :

The company 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.

Other Intangible assets - Gross amount as at 1st April 2015

₹ in crore

PARTICULARS	Gross Block	Accumulated Amortisation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Trademarks	429.17	429.17	Nil
Computer software	6.90	6.90	Nil
Mining rights	9.82	0.59	9.23
Lease and license rights	0.02	0.01	0.01
Licence fee	33.86	33.86	Nil
Total	479.77	470.53	9.24

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

₹ in crore

Numbers			Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
31.03.2017	31.03.2016	1.04.2015				
(A) Investment in Equity instruments						
Investment in subsidiary at cost (fully paid up)						
100,010	100,010	100,010	Karnavati Holdings Inc face value of US $ 0.1 each (Refer note no.49)	**533.38**	533.38	533.38
150,000,000	Nil	Nil	Nuvoco Vistas Corporation Ltd. face value of ₹ 10 each (Refer notes no.42, 47,49 and 63)	**3,000.00**	Nil	Nil
			Total - A	**3,533.38**	533.38	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	Nil	Nil	Nuvoco Vistas Corporation Ltd. face value of ₹ 1,00,000 each (Refer notes no.I below,47,49 and 63)	**1,009.64**	Nil	Nil
			Total - B	**1,009.64**	Nil	Nil
			Total (A+B)	**4,543.02**	533.38	533.38

Aggregate amount of quoted investments	**Nil**	Nil	Nil
Aggregate market value of quoted investments	**Nil**	Nil	Nil
Aggregate amount of unquoted investments	**4,543.02**	533.38	533.38
Aggregate amount of impairment in value of investments	**Nil**	Nil	Nil

Note :

I. The company made investment in Compulsory Convertible Debenture (CCDs) in Nirchem Cement Ltd. The said Company was amalgamated with Nuvoco Vistas Corporation Ltd w.e.f. 4th October,2016, being the appointed date. The 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 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 31.03.2017	As at 31.03.2016	As at 1.04.2015
(A) Investment in Equity instruments **Investments in equity shares (fully paid up) accounted through other comprehensive income**						
31.03.2017	31.03.2016	1.04.2015	**Quoted equity instruments**			
Nil	83,500	83,500	Mahanagar Telephone Nigam Ltd. face value of ₹ 10 each	**Nil**	0.15	0.15
Nil	37,000	37,000	Reliance Communication Ltd. face value of ₹ 5 each	**Nil**	0.19	0.22
9,985	9,985	9,985	Reliance Industries Ltd. face value of ₹ 10 each	**1.32**	1.04	0.82
353,053	375,000	375,000	Gujarat Heavy Chemicals Ltd. face value of ₹ 10 each	**9.37**	4.32	2.31
Nil	50	50	Shreyans Industries Ltd. face value of ₹ 10 each	**Nil**	(₹ 1,375)	(₹ 1,637)
429,794	438,190	980,962	Tamilnadu Petro Products Ltd. face value of ₹ 10 each	**1.58**	0.88	1.40
225,800	361,828	361,828	Torrent Pharmaceuticals Ltd. face value of ₹ 5 each	**35.06**	48.49	41.92
			Total - A	**47.33**	55.07	46.82
(B) Un-quoted equity instruments **Investments in un-quoted equity shares (fully paid up) accounted through other comprehensive income**						
57,020	57,020	57,020	The Kalupur Comm. Co. Op. Bank Ltd. face value of ₹ 25 each	**1.88**	1.68	1.54
2,200,000	2,200,000	2,200,000	Gold Plus Glass Industry Ltd. face value of ₹ 10 each	**13.97**	10.85	6.23
100,000	100,000	100,000	Enviro Infrastructure Company Ltd. face value of ₹ 10 each	**0.93**	0.77	0.93
1,000,000	1,000,000	1,000,000	Inlac Granston Ltd. face value of ₹ 10 each	**1.00**	1.00	1.00
			Less : Provision for diminution in value	**1.00**	1.00	1.00
			Total - B	**16.78**	13.30	8.70
(C) Un-quoted government securities at amortised cost						
			National savings certificates lodged with various authorities	**0.06**	0.06	0.05
			Kisan vikas patra lodged with various authorities (Refer Note No. 42)	**(₹ 41,447)**	(₹ 38,320)	(₹ 35,261)
			Total - C	**0.06**	0.06	0.05
			Total (A+B+C)	**64.17**	68.43	55.57

Aggregate amount of quoted investments	**47.33**	55.07	46.82
Aggregate market value of quoted investments	**47.33**	55.07	46.82
Aggregate amount of unquoted investments	**15.84**	12.36	7.75
Aggregate amount of impairment in value of investments	**1.00**	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. 50 for detailed disclosure on the fair values.

Note - 8 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Unsecured, considered good			
Inter corporate deposit to subsidiary company (Refer notes no.47, 49 & 61)	**311.31**	Nil	Nil
Inter corporate deposit	**2.19**	2.68	3.05
Total	**313.50**	2.68	3.05

Note:

I. Refer note no.51 for credit risk, liquidity risk and market risk for non current financial assets-loans.

Note - 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Security deposits	**1.73**	1.61	4.77
Bank deposit with original maturity more than 12 months	**1.40**	1.49	15.17
Total	**3.13**	3.10	19.94

Notes :

I. Earmarked balances with various Statutory Authorities	**1.40**	1.49	15.17
II. Refer Note No.51 for credit risk, liquidity risk and market risk for non current financial assets-others.			

Note - 10 : OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Capital advances	**37.72**	138.54	32.15
Prepaid expenses	**0.08**	0.01	0.09
Total	**37.80**	138.55	32.24

Note - 11: INVENTORIES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Raw materials & Packaging materials	**260.31**	184.24	176.75
Raw materials & Packaging materials in transit	**136.02**	37.87	16.33
Total - A	**396.33**	222.11	193.08
Work-in-progress	**87.24**	60.70	88.56
Finished goods	**185.93**	210.05	258.76
Finished goods in transit	**40.56**	18.44	29.13
Total - B	**226.49**	228.49	287.89
Stock-in-trade (Traded Goods)	**12.75**	7.84	0.04
Stores and spares	**283.68**	231.81	186.52
Stores and spares in transit	**2.33**	29.46	0.22
Total - C	**286.01**	261.27	186.74
Fuels	**57.40**	17.77	32.03
Fuels in transit	**39.43**	12.76	31.70
Total - D	**96.83**	30.53	63.73
Total (A+B+C+D)	**1,105.65**	810.94	820.04

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, 2017 ₹ 0.87 crore (March 31, 2016 ₹ 2.81 crore, April 01, 2015 ₹ 22.53 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 statement of profit and loss.

III. Refer note no.42 for Inventory pledged as security by the Company.

Note - 12 : CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in crore

Units			Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Investment in mutual fund at fair value through profit and loss						
31.03.2017	31.03.2016	1.04.2015	**Unquoted mutual funds**			
Nil	817	293,302	Reliance Liquid Fund face value of ₹ 1000 each	**Nil**	0.30	100.00
Nil	Nil	25,990	Religare Invesco Liquid Fund face value of ₹ 1000 each	**Nil**	Nil	5.00
Nil	1,169,866	Nil	ICICI Prudential Liquid Fund face value of ₹ 100 each	**Nil**	26.24	Nil
Nil	25,000,000	Nil	Reliance Fixed Horizon Fund face value of ₹ 10 each	**Nil**	25.23	Nil
Nil	16,121,388	Nil	Reliance Medium Term Fund face value of ₹ 10 each	**Nil**	51.16	Nil
Nil	80,957	Nil	Reliance Money Manager Fund face value of ₹ 1000 each	**Nil**	16.70	Nil
Nil	9,937,394	Nil	Reliance Monthly Interval Fund face value of ₹ 10 each	**Nil**	20.37	Nil
			Total of Unquoted mutual funds	**Nil**	140.00	105.00

Aggregate amount of quoted investments	Nil	Nil	Nil
Aggregate market value of quoted investments	Nil	Nil	Nil
Aggregate amount of unquoted investments	Nil	140.00	105.00
Aggregate amount of impairment in value of investments	Nil	Nil	Nil

Note:

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 13 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured, considered good	**Nil**	Nil	Nil
Unsecured, considered good	**430.65**	473.58	375.85
Unsecured, considered good from related parties (Refer note no.49)	**38.08**	0.70	1.90
Unsecured, considered doubtful	**1.80**	1.71	1.71
	470.53	475.99	379.46
Less: Provision for doubtful	**1.80**	1.71	1.71
Total	**468.73**	474.28	377.75

Note:

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 14 : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Cash and cash equivalents			
Balance with banks			
- In current accounts	**7.75**	34.83	12.77
Cheques, drafts on hand	**44.19**	Nil	Nil
Cash on hand	**0.68**	2.57	1.07
Total	**52.62**	37.40	13.84

Note:

I. Refer note no.51 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 31.03.2017	As at 31.03.2016	As at 1.04.2015
Other bank balances			
(a) In deposit accounts (with original maturity more than 3 months but less than 12 months)	**19.54**	18.55	3.58
(b) Unclaimed dividend account	**0.07**	0.16	0.24
(c) Secured premium notes money received and due for refund	**0.14**	0.14	0.14
(d) Equity share capital reduction balance	**0.35**	0.36	0.37
(e) Preference share capital redemption balance	**0.32**	0.32	0.32
Total	**20.42**	19.53	4.65

Notes :

I. Earmarked balances with Banks	**0.40**	0.40	0.41
II. Earmarked balances with various Statutory Authorities	**19.06**	18.05	2.99
III. Earmarked balances with various Tender Authorities	**0.08**	0.10	0.18
IV. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.			

Note - 16 : CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured, Considered good			
Inter corporate deposit (Refer Note I below)	**17.83**	16.14	25.64
Loans and advances to others (Refer Note II below)	**Nil**	Nil	125.00
Unsecured, Considered good			
Loans and advances to employees	**2.62**	3.27	2.57
Loans and advances to others	**46.01**	18.92	46.62
Loans and advances to related parties (Refer note no.49)	**Nil**	Nil	0.63
Unsecured, Considered doubtful			
Loans and advances to others	**0.17**	Nil	Nil
Less : Provision for doubtful loans and advances	**0.17**	Nil	Nil
	Nil	Nil	Nil
Unsecured, Considered good			
Inter corporate deposit to others	**6.96**	8.04	7.59
Unsecured, Considered doubtful			
Inter corporate deposit to others	**1.71**	Nil	Nil
Less : Provision for doubtful inter corporate deposit	**1.71**	Nil	Nil
	Nil	Nil	Nil
Total	**73.42**	46.37	208.05

Notes :

I. Market value of security received for Inter corporate deposits as at March 31, 2017, March 31, 2016 and April 01, 2015 is ₹ 23.97 crore each.

II. Market value of security received for loan as at April 01, 2015 was ₹ 262.48 crore.

III. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 17 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Security deposits	**5.43**	8.86	2.27
Income receivable	**1.32**	1.73	2.11
Other receivable	**2.34**	Nil	Nil
Other receivable from related parties (Refer note no.49)	**1.20**	0.42	5.25
Total	**10.29**	11.01	9.63

Note :

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 18 : CURRENT TAX ASSETS (NET)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advance income tax (net)	**Nil**	Nil	95.87
Total	**Nil**	Nil	95.87

Note - 19 : OTHER CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advances to suppliers- related parties (Refer note no.49)	**3.92**	Nil	0.93
Advances to suppliers	**97.95**	58.87	56.90
Balance with statutory authorities	**93.94**	69.88	106.59
Prepaid expenses	**18.45**	11.97	11.92
Total	**214.26**	140.72	176.34

Note - 20 : Equity share capital

₹ in crore

Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
	Number of shares	**₹**	Number of shares	₹	Number of shares	₹
AUTHORISED						
Equity shares of ₹ 5 each	**1,461,000,000**	**730.50**	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	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	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	100,000,000	10.00
		775.50		775.50		775.50
ISSUED AND SUBSCRIBED						
Equity shares of ₹ 5 each [Refer note no.(II) & (III) below]	**146,075,130**	**73.04**	146,075,130	73.04	151,702,578	75.85
FULLY PAID UP						
Equity shares of ₹ 5 each [Refer note no.(II) & (III) below]	**146,075,130**	**73.04**	146,075,130	73.04	151,702,578	75.85
		73.04		73.04		75.85
SHARE CAPITAL SUSPENSE						
Equity shares of ₹ 5 each to be issued	Nil	Nil	Nil	Nil	24,058,730	12.03
Equity shares of ₹ 5 each to be cancelled	Nil	Nil	Nil	Nil	(20,027,449)	(10.01)
Total	**146,075,130**	**73.04**	146,075,130	73.04	155,733,859	77.87

Notes:

I. The Hon'ble High Court of Gujarat has vide its order dated 20th April 2015, sanctioned the Composite Scheme of Arrangement in nature of Amalgamation ("Scheme") of, i) Leh Holdings Pvt. Ltd, ii) Kargil Holdings Pvt. Ltd. iii) Kulgam Holdings Pvt. Ltd. iv) Uri Holdings Pvt. Ltd. and v) Banihal Holdings Pvt. Ltd. vi) Kanak Castor Products Pvt. Ltd (Associate Companies) and Siddhi Vinayak Cement Pvt. Ltd (Wholly Owned Subsidiary Company) [collectively referred to as transferor Companies] into the Nirma Ltd with an appointed date of 1st April 2014 and also demerger and transfer of Healthcare Division of the Company to Aculife Healthcare Pvt. Ltd with an appointed date of 1st October 2014. The Scheme has become effective from 10th June 2015.

   In pursuance of the Scheme, the authorised equity share capital of the above seven transferor Companies total amounting to ₹ 615 crore has been added to the authorised equity share capital of the Company and allocated to the existing equity capital at par value of ₹ 5 per share.

II. In accordance with the scheme, during previous year,

   (a) the Company has issued and allotted 24,058,730 new equity shares of ₹ 5/- each fully paid up to the equity shareholders of associate transferor companies

   (b) the Company has cancelled and extinguished its 20,027,449 issued, subscribed and paid up equity shares held by transferor companies and accordingly these shares have been cancelled and extinguished.

III. During the previous year, the Company has bought back 9,658,729 equity shares from the shareholders under the buyback offer in accordance with section 68 of the Companies Act, 2013 & rules made thereunder, at a price of ₹ 238/- per share. Accordingly, 9,658,729 equity shares of ₹ 5/- each have been cancelled and extinguished from issued, subscribed and paid up equity share capital of the Company.

Note - 20 : Equity share capital

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

Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
	Number of shares	(₹ in crore)	Number of shares	(₹ in crore)	Number of shares	(₹ in crore)
Opening Balance (including share capital suspense)			155,733,859	77.87		
Opening Balance (excluding share capital suspense)			151,702,578	75.85	151,702,578	75.85
Opening Balance	**146,075,130**	**73.04**	Nil	Nil	Nil	Nil
To be issued	**Nil**	**Nil**	Nil	Nil	24,058,730	12.03
To be cancelled	**Nil**	**Nil**	Nil	Nil	20,027,449	10.01
Share alloted pursuant to scheme	**Nil**	**Nil**	24,058,730	12.03	Nil	Nil
Share cancelled pursuant to scheme	**Nil**	**Nil**	20,027,449	10.01	Nil	Nil
Share cancelled under buy back	**Nil**	**Nil**	9,658,729	4.83	Nil	Nil
Closing Balance	**146,075,130**	**73.04**	146,075,130	73.04	155,733,859	77.87

V. **Rights, preferences and restrictions attached to 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.

VI. **The Company does not have any holding company.**

VII. **The details of Shareholders holding more than 5% of Shares (including Share Capital Suspense)**

Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
	No. of shares held *	% of Total paid up Equity Share Capital	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	9,67,78,224	62.14
Smt. Shantaben K. Patel	**2,76,18,401**	**18.90**	2,76,18,401	18.90	3,24,18,401	20.82
Shri Rakesh K. Patel	**3,47,44,224**	**23.79**	3,47,44,224	23.79	1,31,36,424	8.44
Shri Hiren K. Patel	**2,69,47,280**	**18.45**	2,69,47,280	18.45	1,33,42,080	8.57

*Includes equity shares held as trustee of trust and/or as member of AOP

VIII. **Shares alloted as fully paid up without payment being received in cash during the period of five year immediately preceding 31.03.2017 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 Financial Year 2015-16.

Note - 21 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Capital Reserve			
As per last year	**328.17**	328.17	328.17
Equity Security Premium			
As per last year	**29.81**	29.81	29.81
Capital Redemption Reserve			
Opening balance	**32.35**	27.52	27.52
Add : Transferred from retained earnings	**10.00**	Nil	Nil
Add : Transferred from general reserve	**Nil**	4.83	Nil
Closing balance	**42.35**	32.35	27.52
Debenture Redemption Reserve			
Opening balance	**40.53**	40.11	40.11
Add : Transferred from retained earnings	**85.83**	14.25	Nil
Less: Transfer to general reserve	**14.22**	13.83	Nil
Closing balance	**112.14**	40.53	40.11
General Reserve			
Opening balance	**1,925.82**	2,167.37	2,167.37
Add : Transferred from debenture redemption reserve	**14.22**	13.83	Nil
Add : Transferred from statutory reserve	**Nil**	26.42	Nil
Less: Transfer to capital redemption reserve	**Nil**	4.83	Nil
Less: Dividend distribution tax on equity share bought back	**Nil**	51.92	Nil
Less: Premium paid on buy back of equity share	**Nil**	225.05	Nil
Closing balance	**1,940.04**	1,925.82	2,167.37
Non cash contribution from share holders			
Opening balance	**1.17**	1.17	Nil
Add: Addition during the year	**Nil**	Nil	1.17
Less: Transfer to retained earnings	**1.17**	Nil	Nil
Closing balance	**Nil**	1.17	1.17
Statutory Reserve			
Opening balance	**Nil**	26.42	26.42
Less: Transfer to general reserve	**Nil**	26.42	Nil
Closing balance	**Nil**	Nil	26.42
Other Comprehensive Income			
Opening balance	**46.44**	32.76	32.76
Less : Re-measurement of defined benefit plans	**5.17**	Nil	Nil
Add : Equity instruments through other comprehensive Income	**14.17**	13.03	Nil
Add : Transfer from retained earnings	**Nil**	0.65	Nil
Closing balance	**55.44**	46.44	32.76
Retained Earnings			
Opening balance	**1,319.02**	744.42	744.42
Add : Retained earnings during the year	**431.38**	589.50	Nil
Add: Transfer from non cash contribution from shareholders	**1.17**	Nil	Nil
Less: Transfer to other comprehensive income	**Nil**	0.65	Nil
Less: Transfer to capital redemption reserve	**10.00**	Nil	Nil
Less: Transfer to debenture redemption reserve	**85.83**	14.25	Nil
Closing balance	**1,655.74**	1,319.02	744.42
Total	**4,163.69**	3,723.31	3,397.75

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. Statutory Reserve
It represents transfer of profits in accordance with RBI Act for NBFC companies. These companies were amagamated with the 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. 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 - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured			
Debentures			
Non-convertible debentures (Refer note no. I below)	**2,105.35**	39.97	239.85
Non-convertible debentures from related party (Refer notes no. I below & 49)	**Nil**	139.94	Nil
	2,105.35	179.91	239.85
Term Loans from Bank			
Term Loans from Bank (Refer note no. II below)	**1,418.48**	Nil	Nil
Term Loan from Other			
Loan from Gujarat Housing Board (Refer note no. III below)	**(₹ 8,083)**	(₹ 8,083)	(₹ 8,083)
Unsecured			
5% Redeemable non-convertible non-cumulative preference shares(Refer note no.IV below)	**Nil**	8.44	8.20
Loan from directors -related parties (Refer notes no. V below & 49)	**478.99**	Nil	Nil
Inter corporate deposit from related parties (Refer notes no. VI below & 49)	**546.58**	335.42	487.14
Total	**4,549.40**	523.77	735.19

Note - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.		Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
			Non Current	**Current**	Non Current	Current	Non Current	Current
I.(A)	(a)	7.90% Secured Listed Rated Redeemable Non Convertible Debentures Series III of face value of ₹ 10 lacs each is redeemable at par on 28.02.2020. Effective interest rate is 7.92%.	**999.43**	**6.71**	Nil	Nil	Nil	Nil
	(b)	The creation of charge for Secured Listed Rated - NCD Series-III is under process.						
(B)	(a)	8.95% Secured Redeemable Non Convertible Non Cumulative Debentures series E of face value of ₹ 10 lacs each is redeemable at par on 28.05.2019. Effective interest rate is 8.98%.	**59.97**	**4.53**	59.96	4.34	59.94	4.46
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series E is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(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 08.09.2018. Effective interest rate is 8.22%.	**493.27**	**21.74**	Nil	Nil	Nil	Nil
	(b)	The Secured Listed Rated - NCD Series-II is secured by first pari-passu charge by way of hypothecation of whole of the movable plant and machinery of the Company's cement division situated at Village Nimbol, Rajasthan and first pari-passu charge by way of 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.						
(D)	(a)	7.95% Secured Listed Rated Redeemable Non Convertible debentures Series I of face value of ₹ 10 lacs each is redeemable at par on 06.09.2018. Effective interest rate is 8.31%.	**492.70**	**22.21**	Nil	Nil	Nil	Nil
	(b)	The Secured Listed Rated - NCD Series-I is secured by first pari-passu charge by way of hypothecation of whole of the movable plant and machinery of the Company's cement division situated at Village Nimbol, Rajasthan and first pari-passu charge by way of 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 31.03.2017		As at 31.03.2016		As at 1.04.2015	
			Non Current	**Current**	Non Current	Current	Non Current	Current
(E)	(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%.	**59.98**	**4.52**	59.96	4.11	59.96	4.44
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series D is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(F)	(a)	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**	**64.50**	59.99	4.05	59.97	4.43
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series C is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(G)	(a)	8.85% Secured Redeemable Non Convertible Non Cumulative Debentures series B of face value of ₹ 10 lacs each is redeemable at par on 28.05.2016. Effective interest rate is 8.88%.	**Nil**	**Nil**	Nil	64.14	59.98	4.48
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debenture series B is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(H)	(a)	8.75% Secured Redeemable Non Convertible Non Cumulative Debentures series A of face value of ₹ 10 lacs each is redeemable at par on 28.05.2015. Effective interest rate is 8.77%.	**Nil**	**Nil**	Nil	Nil	Nil	63.98
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series A is secured by first pari-passu charge on building and specified immovable plant and machineries of the Company situated at Alindra, District Vadodara, Gujarat both present and future.						

Sr. No.	Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
		Non Current	**Current**	Non Current	Current	Non Current	Current
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%	**1,418.48**	**56.32**	Nil	Nil	Nil	Nil
	The Term loan from bank are secured by (i) First Pari-pasu 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, 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. And 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	(₹ 8,083)	Nil
IV.	5% Redeemable Non-cumulative Non-convertible preference shares of ₹ 1/- each fully paid up were redeemed during the year.	**Nil**	**Nil**	8.44	Nil	8.20	Nil
V.	Unsecured loan from directors-related parties carry interest @ 8% p.a.(p.y.Nil) repayable after 1 year.	**478.99**	**Nil**	Nil	Nil	Nil	Nil
VI.	Unsecured inter corporate deposit from related parties carry interest @ 8% p.a.on ₹ 546.58 crore (March 31, 2016 ₹ 28.70 crore, April 01, 2015 ₹ 26.33 crore), @ 9.50% p.a. on ₹ Nil (March 31, 2016 ₹ Nil, April 01,2015 ₹ 33.77 crore) and @ 10% p.a. on ₹ Nil (March 31, 2016 ₹ 306.72 crore, April 01, 2015 ₹ 427.04 crore) repayable after 1 year.	**546.58**	**Nil**	335.42	50.00	487.14	49.00
VII.	Refer note no.51 for credit risk, liquidity risk and market risk for non-current financial liabilities.						
VIII.	The carrying amount of financial and non-financial assets pledge as security for secured borrowings are disclosed in Note no.42.						
IX.	The company has complied all covenants for loans.						

Note - 23 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Deferred sales tax liability (Refer note no. I below)	**0.02**	0.03	0.03
Trade Deposits	**138.45**	126.14	116.19
Total	**138.47**	126.17	116.22

Notes :

I. 0% Deferred sales tax loan is repayable in six yearly equal installments of ₹ 0.01 crore starting from 01.04.2015. Out of which ₹ 0.02 crore is non-current financial liability and ₹ 0.01 crore is current financial liability.

II. Refer note no.51 for credit risk, liquidity risk and market risk for non-current financial liabilities.

Note - 24 : NON-CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Provisions			
Provision for employee benefits (Refer note no.48)	**65.85**	44.11	40.60
Provision for mines reclamation expenses (Refer note below)	**1.67**	1.05	Nil
Total	**67.52**	45.16	40.60

Note :

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

Note - 25 : DEFERRED TAX LIABILITIES (Net)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Deferred Tax Liabilities			
Property, plant and equipment and investment property	**575.17**	374.39	320.47
Financial assets at fair value through OCI	**1.93**	0.35	0.23
Financial assets at fair value through profit or loss	**8.61**	1.77	0.67
	585.71	376.51	321.37
Deferred Tax Assets			
MAT credit	**324.67**	166.91	172.00
Others	**22.48**	36.15	40.38
	347.15	203.06	212.38
Net deferred tax liabilities	**238.56**	173.45	108.99

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, 2015	320.47	(172.00)	0.67	0.23	(40.38)	108.99
Charged/(credited)						
To profit or loss	53.92	5.09	1.10	Nil	4.23	64.34
To other comprehensive income	Nil	Nil	Nil	0.12	Nil	0.12
At 31st March, 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 - 26 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Secured			
Cash credit facility (Refer note no. I below)	**383.16**	134.43	491.75
Unsecured			
Overdraft facility (Refer note no. II below)	**Nil**	Nil	8.84
Commercial Paper (Refer note no. III below)	**658.24**	Nil	Nil
Loan from directors-related parties (Refer notes no. IV below & 49)	**Nil**	255.89	71.41
Inter corporate deposit from related party (Refer notes no. V below & 49)	**Nil**	19.26	Nil
Total	**1,041.40**	409.58	572.00

Notes :

I. The credit facilities from banks ₹ 383.16 crore are secured on (i) First pari-passu charge on stock, stock in process, semi finished and finished goods, book debts, current assets of the Company, stores 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, 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, Dis. Rajkot, and 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, Dis. Rajkot. (p.y. ₹ 134.43 crore as at March 31, 2016, ₹ 491.75 crore as at April 01, 2015 are secured on parri-passu basis, by first charge, by way of hypothecation of specified stock of raw materials, stock in process, finished goods, other merchandise being movable, book debts present and future situated at specified plants and by way of second charge on specified fixed assets both present and future lying at Mandali in Dist. Mehsana, Chhatral in Dist. Gandhinagar, Moraiya in Dist. Ahmedabad, Alindra unit including Bhadarva assets in Dist. Vadodara, Dhank in Dist. Rajkot of the Company. Effective cost is in the range of 8% to 10% p.a. (p.y 9% to 12% p.a. as at March 31, 2016, 8% to 13% p.a. as at April 01, 2015).

II. The overdraft facility from bank of ₹ Nil (₹ Nil as at March 31, 2016, ₹8.84 crore as at April 01, 2015) to Siddhi Vinayak Cement Pvt. Ltd. (SVCPL) was secured against corporate guarantee issued by the company. SVCPL was amalgamated with the company from 1st April, 2014. Effective interest rate is Nil. (Nil March 31, 2016, Nil April 01, 2015).

III. Effective cost of commercial paper is 6.52% p.a.(Nil as at March 31, 2016, Nil as at April 01, 2015).

IV. Effective cost of unsecured loan from directors is Nil (8% p.a. as at March 31, 2016,8% p.a. as at April 01, 2015).

V. Effective cost of unsecured inter corporate deposit is Nil (8% p.a.as at March 31, 2016, Nil as at April 01, 2015).

VI. Refer note no.51 for credit risk, liquidity risk and market risk for current financial liabilities.

VII. The carrying amount of financial and non-financial assets pledge as security for secured borrowings are disclosed in Note no.42.

VIII. The company has complied all covenants for loans.

Note - 27 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Trade payables	**238.43**	265.45	189.94
For Micro, small and medium enterprises (Refer notes no.I below & 57)	**0.42**	0.06	0.41
Total	**238.85**	265.51	190.35

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.51 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 28 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Secured			
Current maturity of non-convertible debentures (Refer note no.22)	**124.21**	19.14	81.79
Current maturity of non-convertible debentures from related party (Refer notes no.22 & 49)	**Nil**	57.50	Nil
Current maturity of term loans from Bank (Refer note no.22)	**56.32**	Nil	Nil
Unsecured			
Current maturity of intercorporate deposits from related party (Refer notes no.22 & 49)	**Nil**	50.00	49.00
Current maturity of deferred sales tax liability (Refer note no.23)	**0.01**	0.01	0.01
Unpaid dividends	**0.07**	0.16	0.23
Unclaimed matured non convertible debentures /secured premium notes and interest thereon	**0.14**	0.14	0.14
Liability for equity share capital reduction (Refer note no.I below)	**0.65**	0.65	0.65
Equity share capital reduction balance payable	**0.35**	0.36	0.37
Preference share capital redemption balance payable	**0.32**	0.32	0.32
Creditors for capital expenditure	**76.33**	21.40	32.43
Other payables	**81.24**	83.77	59.35
Total	**339.64**	233.45	224.29

Notes :

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

II. Refer note no.51 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 29 : OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advance received from customers	**29.90**	24.51	19.82
Statutory liabilities	**88.18**	136.92	90.57
Deferred revenue	**2.11**	5.91	4.94
Total	**120.19**	167.34	115.33

Note - 30 : CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Provision for employee benefits (Refer note no.48)	**11.77**	7.30	7.41
Provision in respect of litigation (Refer note no.I below)	**1.91**	1.91	1.91
Total	**13.68**	9.21	9.32

Note:

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

Note - 31 : CURRENT TAX LIABILITIES (NET)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Income tax provision (net)	**308.35**	167.64	Nil
Total	**308.35**	167.64	Nil

Note - 32 : REVENUE FROM OPERATIONS

₹ in crore

Particulars	2016-2017	2015-2016
Revenue from operations		
Sale of Products (including excise duty)		
Finished goods	**5,328.23**	5,141.50
Stock in trade	**53.08**	24.93
Total	**5,381.31**	5,166.43
Sale of Services		
Processing charges	**0.68**	0.75
Other operating revenues		
Duty drawback & other export incentives	**0.98**	0.42
Sales tax incentives	**0.22**	Nil
Scrap sales	**8.23**	8.77
Total	**5,391.42**	5,176.37

Note - 33 : OTHER INCOME

₹ in crore

Particulars	2016-2017	2015-2016
Interest income	**46.91**	32.21
Interest income from financial assets at amortised cost	**40.64**	13.99
Dividend income from equity investments designated at fair value through other comprehensive income	**0.55**	1.63
Net gain on sale of investments	**20.44**	8.42
Net gain on financial assets designated at fair value through profit or loss	**Nil**	2.08
Profit on Sale of Assets	**0.23**	0.15
Exchange Rate difference (net)	**0.20**	Nil
Claims and Refunds	**10.34**	4.76
Provision no longer required written back	**9.25**	2.41
Others	**4.94**	2.17
Total	**133.50**	67.82

Note - 34 : COST OF MATERIALS CONSUMED

₹ in crore

Particulars	2016-2017	2015-2016
Raw material and Packing material at the beginning of the year	**184.24**	176.75
Add: Purchases (net)	**1,607.04**	1,452.48
Total	**1,791.28**	1,629.23
Less : Raw material and Packing material at the end of the year	**260.31**	184.24
Cost of Raw material Consumed (Including Packaging Materials)	**1,530.97**	1,444.99

Note - 35 :
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in crore

Particulars	2016-2017	2015-2016
Inventories at the beginning of the year:		
Finished goods	**228.49**	287.89
Stock-in-trade	**7.84**	0.04
Work-in-progress	**60.70**	88.56
Total	**297.03**	376.49
Inventories at the end 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
Changes in inventories of finished goods, stock-in-trade and work-in-progress	**(29.45)**	79.46

Note - 36 : EMPLOYEE BENEFITS EXPENSE

₹ in crore

Particulars	2016-2017	2015-2016
Salaries and wages	**247.89**	228.75
Contributions to provident and other funds (Refer note no.48)	**17.80**	16.17
Gratuity (Refer note no.48)	**6.87**	6.63
Leave compensation (Refer note no.48)	**16.40**	16.00
Staff welfare expense	**9.26**	8.94
Total	**298.22**	276.49

Note - 37 : FINANCE COSTS

₹ in crore

Particulars	2016-2017	2015-2016
Interest and finance charges on financial liabilities not at fair value through profit or loss	**374.58**	99.78
Other interest expense	**2.97**	6.25
Less : Interest cost capitalised	**80.11**	33.91
Total	**297.44**	72.12

Notes :

I. The capitalisation rate used to determine the amount of borrowing cost to be capitalised is 9.45% the weighted average interest rate applicable to the entity's general borrowing during the year. (P.Y. 9.25%).

II. Refer note no.46 for capitalisation of expenses.

Note - 38 : DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Depreciation of property, plant and equipment (Refer note no.2)	**253.21**	287.47
Amortisation of intangible assets (Refer note no.5)	**0.68**	0.13
Total	**253.89**	287.60

Note - 39 : OTHER EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Consumption of stores and spare parts	**182.18**	116.07
Power and fuel expenses	**759.69**	788.69
Excise duty provided on stocks	**(3.77)**	(2.20)
Processing charges	**25.57**	29.08
Rent expenses	**11.70**	11.16
Repairs		
To building	**7.51**	6.60
To machinery	**30.32**	32.37
To others	**3.75**	3.48
	41.58	42.45
Insurance expenses	**7.59**	6.76
Rates and taxes	**29.10**	22.56
Payments to auditors (Refer note no.59)	**1.79**	1.29
Directors' fees	**0.07**	0.03
Discount on sales	**18.42**	22.05
Commission on sales	**16.32**	15.88
Freight and transportation expenses	**423.65**	387.26
Sales tax expenses	**14.03**	16.87
Advertisement expenses	**55.62**	69.92
Exchange fluctuation loss (net)	**Nil**	1.94
Loss on sale of assets	**0.01**	0.08
Donation	**0.51**	0.49
Sales promotion expenses	**2.21**	1.57
Bad debts written off	**52.84**	2.50
Provision for doubtful loan	**1.88**	Nil
Corporate social responsibility expenses (Refer note no.60)	**9.61**	5.85
Other expenses [Net of Transport Income ₹ 2.82 crore (p.y.₹ 1.64 crore)] (Refer note no.I below)	**138.22**	100.61
Total	**1,788.82**	1,640.91

Note :

I. Includes prior period adjustments(net) ₹ (2.68) crore (p.y. ₹ (0.86) crore).

Note - 40 : TAX EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Current tax	**135.50**	175.00
Tax expenses relating to earlier year	**(1.00)**	(5.33)
MAT credit utilised/(entitlement)	**(111.00)**	20.00
MAT credit entitlement relating to earlier year	**(46.76)**	(14.91)
Deferred tax	**224.04**	59.25
Total	**200.78**	234.01

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	2016-2017	2015-2016
Enacted income tax rate in India applicable to the Company	**34.608%**	34.608%
Profit before tax	**632.16**	823.51
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**218.78**	285.00
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Permanent disallowances	**140.56**	119.08
Other deductible expenses	**(340.28)**	(164.85)
MAT credit entitlement/ (utilization)	**111.18**	(19.87)
Tax exempted income	**(0.47)**	(0.91)
Deduction claimed under Income tax act	**(19.47)**	(42.55)
Adjustment related to earlier years	**(1.00)**	(5.33)
Deferred tax Expense (net)	**66.28**	64.34
Other Items	**25.20**	(0.90)
Total tax expenses	**200.78**	234.01
Effective tax rate	**31.76%**	28.42%

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 - 41 : STATEMENT OF OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars			2016-2017	2015-2016
(i)	**Items that will not be reclassified to profit or loss**			
	1.	**Equity Instruments through Other Comprehensive Income**		
		Fair value of quoted investments	**12.26**	9.55
		Fair value of unquoted investments	**3.49**	4.60
	2.	**Remeasurement of defined benefit plans**		
		Actuarial gains and losses	**(7.91)**	(1.00)
		Total (i)	**7.84**	13.15
(ii)	**Income tax relating to these items that will not be reclassified to profit or loss**			
	Deferred Tax impact on quoted investments		**(1.23)**	(0.01)
	Deferred Tax impact on unquoted investments		**(0.35)**	(0.46)
	Deferred Tax impact on actuarial gains and losses		**2.74**	0.35
		Total (ii)	**1.16**	(0.12)
		Total (i + ii)	**9.00**	13.03

Notes to the standalone financial statements

Note 42 : Assets pledged as security

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

₹ in crore

	Assets description	31.03.2017	31.03.2016	1.04.2015
I.	**Current Financial Assets**			
	First charge			
	Trade receivables	**470.17**	472.13	72.51
II.	**Current Assets**			
	First charge			
	Inventories	**1,074.72**	795.14	93.54
	Total current assets pledged as security	**1,544.89**	1,267.27	166.05
III.	**Non-Current Financial Assets**			
	A. Shares of Nuvoco Vistas Corporation Ltd . (Refer note I below and 63)	**3,000.00**	Nil	Nil
	B. National savings certificate	**0.06**	0.06	0.05
IV.	**Property, Plant and Equipment**			
	First and / or Second charge			
	A. Plant and equipments	**3,693.74**	165.00	147.91
	B. Freehold land	**118.32**	Nil	Nil
	C. Buildings	**293.12**	10.35	11.09
V.	**Capital work in progress**	**151.24**	7.09	10.55
	Total non-current assets pledged as security	**7,256.48**	182.50	169.60
	Total Assets Pledged as Security	**8,801.37**	1,449.77	335.65

Note:

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

Notes to the standalone financial statements

Note 43 : Contingent liabilities not provided for in accounts :

I. Contingent liabilities :

₹ in crore

	Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
A.	Claims against the Company not acknowledged as debts			
1	For custom duty	**20.75**	18.34	14.57
2	For direct tax*	**2,303.48**	1,920.00	1,810.00
3	For sales tax	**84.18**	71.06	72.28
4	For excise duty and service tax [Appeals decided in favour of the Company ₹ 1.11 cr (31 March,16 : ₹ 0.64 cr; 1 April, 2015 : ₹ 80.70 cr)]	**7.57**	1.63	164.47
5	Others	**70.85**	60.44	48.60
	Total	**2,486.83**	2,071.47	2,109.92
	*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)	**172.29**	874.64	429.85
C.	For letters of credit	**99.01**	46.48	70.56
D.	For bank guarantee	**89.80**	62.42	72.75
E.	Corporate Guarantee given by the Company (Refer note 1 below)	**265.00**	95.00	95.00
F.	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	Not ascertainable
G.	Claims against the Company not acknowledged as debt-relating to land of Cement Plant	**Not ascertainable**	Not ascertainable	Not ascertainable
H.	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 by ₹ 4000 cr of 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.	**3,000.00**	Nil	Nil

Notes:

1 The company has provided corporate guarantee of ₹ 170 cr 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 provided corporate guarantee of ₹ Nil (March 31, 2016 : ₹ Nil; April 1, 2015: ₹ 80 cr) to the Ratnakar Bank Ltd. for securing credit facilities sanctioned to Shree Rama Multitech

Notes to the standalone financial statements

Ltd. and ₹ Nil (March 31, 2016: ₹ Nil; April 1, 2015: ₹ 15 cr) to Yes Bank Ltd. for securing credit facilities extended to Quick Setting Cement Private Ltd.

3 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.

II. Contingent asset:

The company has certain claims of tax incentives from the Government of Rajasthan.

Note 44 : Operating lease

The break-up of total minimum lease payments for operating lease due as on 31.03.2017, entered into by the company are as follows:

₹ in crore

Particulars	31.03.2017	31.03.2016	1.04.2015
Not later than one year	**0.38**	Nil	Nil
Later than one year and not later than five years	**0.69**	0.11	0.45
Later than five years	**Nil**	Nil	Nil
Lease payment recognised in Statement of Profit and Loss	**4.34**	5.05	2.60

Note 45

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 Accounting Standard on Segment Reporting (Ind AS-108), no disclosure related to the segment is presented in the Standalone Financial Statements.

Note 46

The following expenditures have been capitalised as part of fixed assets

₹ in crore

Particulars	2016-2017	2015-2016
Employee cost	**1.09**	1.45
Power and fuel expenses	**1.41**	1.84
Rent expense	**Nil**	Nil
Repair and maintenance expense	**Nil**	Nil
Insurance premium expense	**Nil**	Nil
Rates and Taxes	**Nil**	Nil
Finance Cost	**80.11**	33.91
Other	**0.65**	0.70
Interest Income	**Nil**	Nil
Total	**83.26**	37.90

Notes to the standalone financial statements

Note 47 : Disclosure as required under section 186(4) of the Companies Act, 2013

₹ in crore

I.

Particulars	Rate of interest	31.03.2017	Rate of interest	31.03.2016	Rate of interest	1.04.2015
Loans given for short term business requirement						
Jayeshbhai T Kotak					9%	85.00
Pravinbhai Kotak					9%	85.00
Jay Poly Fab	**8%**	**1.00**			12%	1.50
Mac Trust			12%	1.00		
Bhoomi Print Pack	**8%**	**1.00**				
H K Patel Discretionary Family Trust	**8%**	**25.00**				
Nirav Lamination	**8%**	**1.00**				
Times Square Commercial LLP	**12%**	**4.00**				
Avichal Infracon	**8%**	**1.50**				
Loan given for principal business activities						
Nuvoco Vistas Corporation Ltd.	**8%**	**300.28**				
Loans given for conducting educational activities for short term						
Shankarsinh Vaghela Bapu Charitable Trust					9%	1.00
Gandhinagar Charitable Trust			9%	2.00	9%	1.00
Shankarsinh Vaghela Bapu Foundation					9%	3.00
Investments made						
Nuvoco Vistas Corporation Ltd.		**4,000.00**				

II. The company held investments in mutual fund for cash management purpose of ₹ Nil (March 31, 2016 :₹ 137.93 cr; April 1, 2015: ₹ 105.00 cr)

III. The company has provided corporate guarantee of ₹ 170 cr to IDBI Trusteeship Services Ltd. (March 31, 2016 : ₹ Nil; April 1 2015 : ₹ Nil) 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).

IV. The company has provided corporate guarantee of ₹ Nil (March 31, 2016 : ₹ Nil; April 1, 2015: ₹ 80 cr) to the Ratnakar Bank Ltd. for securing credit facilities sanctioned to Shree Rama Multitech Ltd. and ₹ Nil (March 31, 2016 : ₹ Nil; April 1, 2015: ₹ 15 cr) to Yes Bank Ltd. for securing credit facilities extended to Quick Setting Cement Private Ltd.

V. 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 ₹ 4000 cr 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.

VI. The company has provided corporate guarantee to HDFC Bank Ltd. during the financial year 2015-16 in accordance with the order of Hon’ble Gujarat High Court to pay such dues of HDFC Bank as ultimately decided in the court proceedings. This is in respect of pending appeal in case of Core Healthcare Ltd. where healthcare division at Sachana was demerged w.e.f 1.10.2014.

Notes to the standalone financial statements

Note 48 : 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	2016-2017	2015-2016
Employer's Contribution to Provident Fund	**16.00**	14.42
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	31.03.2017		31.03.2016		1.04.2015	
	Gratuity	Leave Encashment	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	**47.95**	**17.35**	45.93	18.43	42.06	16.08
Add : Balance acquired on Amalgamation	**Nil**	**Nil**	Nil	Nil	(4.48)	(2.10)
b. Current Service Cost	**4.39**	**3.13**	4.22	2.41	3.83	2.64
c. Interest Cost	**3.52**	**1.24**	3.43	1.31	3.24	1.24
d. Actuarial (Gain)/Loss	**7.75**	**11.86**	1.00	2.63	5.78	1.72
e. Benefits Paid	**(4.41)**	**(1.86)**	(6.63)	(7.43)	(4.50)	(1.15)
f. Obligation as at the end of the year	**59.20**	**31.72**	47.95	17.35	45.93	18.43
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	**13.90**	**Nil**	16.35	Nil	17.56	Nil
Less : Expense deducted from the fund	**Nil**	**Nil**	(0.26)	Nil	(0.21)	Nil
b. Expected return on Plan Assets	**1.04**	**Nil**	1.29	Nil	1.72	Nil
c. Actuarial Gain/(Loss)	**(0.16)**	**Nil**	(₹36,772)	Nil	(0.21)	Nil
d. Employer's Contributions	**2.24**	**Nil**	0.62	Nil	0.80	Nil
e. Benefits Paid	**(3.72)**	**Nil**	(4.10)	Nil	(3.31)	Nil
f. Fair Value of Plan Assets as at the end of the year	**13.30**	**Nil**	13.90	Nil	16.35	Nil
C. Reconciliation of fair value of assets and obligation						
a. Fair Value of Plan Assets as at the end of the year	**13.30**	**Nil**	13.90	Nil	16.35	Nil
b. Present Value of Obligation as at the end of the year	**(59.20)**	**(31.72)**	(47.95)	(17.35)	(45.93)	(18.43)
c. Amount recognised in the Balance Sheet	**(45.90)**	**(31.72)**	(34.05)	(17.35)	(29.58)	(18.43)
D. Investment Details of Plan Assets						
Bank balance	**2%**	**Nil**	3%	Nil	Nil	Nil
Invested with Life Insurance Corporation of India	**98%**	**Nil**	97%	Nil	100%	Nil
E. Actuarial Assumptions						
a. Discount Rate (per annum)	**7.25%**	**7.25%**	7.80%	7.80%	7.80%	7.80%
b. Estimated Rate of return on Plan Assets (per annum)	**7.25%**	**Nil**	7.80%	Nil	7.80%	Nil
c. Rate of escalation in salary (per annum)	**6.00%**	**6.00%**	6.00%	6.00%	6.00%	6.00%

Notes to the standalone financial statements

F. Expenses recognised during the year

₹ in crore

Description	2016-2017		2015-2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Expenses recognised during the year				
(i) Current Service Cost	**4.39**	**3.13**	4.22	2.41
(ii) Interest Cost	**3.52**	**1.24**	3.43	1.31
(iii) Expected return on Plan Assets	**(1.04)**	**Nil**	(1.29)	Nil
(iv) Expenses deducted from the fund	**Nil**	**Nil**	0.26	Nil
(v) Actuarial (Gain)/Loss	**7.91**	**11.86**	1.00	2.63
(vi) Expense recognised during the year	**14.78**	**16.23**	7.62	6.35

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	31.03.2017			
	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**

₹ in crore

Particulars	31.03.2016			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	2.09	0.81	(2.26)	(0.89)
Salary growth rate (0.5% movement)	(2.37)	(0.90)	2.11	0.83

₹ in crore

Particulars	1.04.2015			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	2.64	0.83	(1.58)	(0.92)
Salary growth rate (0.5% movement)	(1.54)	(0.95)	2.62	0.89

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 standalone financial statements

Note 49 : Related party disclosures as per Ind AS 24

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

I. Relationship:

A. Shareholders / 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 holding 100% equity shares in the Company as of 31.03.2017.

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. (w.e.f. 02.08.2016) (amalgamated with, Nuvoco Vistas Corporation Ltd. earlier known as “Lafarge India Ltd.”, w.e.f. 04.10.2016)	India	Direct	100%
3	Nuvoco Vistas Corporation Ltd. (earlier known as "Lafarge India Ltd.", w.e.f. 04.10.2016)	India	Direct	100%
4	Rima Eastern Cement Ltd. (formerly known as "Lafarge Eastern India Ltd.") (Wholly owned by Nuvoco Vistas Corporation Ltd.)	India	Indirect	100%
5	Nirlife Mexico SA DE C.V. (transferred to Aculife Healthcare Pvt. Ltd., on account of demerger with effect from 01.10.2014)	Mexico	Direct	100%
6	Siddhi Vinayak Cement Pvt. Ltd. (amalgamated with the Company with effect from 01.04.2014)	India	Direct	100%
7	Searles Valley Minerals Inc. (SVM), USA (Wholly Owned subsidiary of Karnavati Holding Inc. USA)	USA	Indirect	100%
8	Searles Domestic Water Company LLC, USA (Wholly Owned by SVM)	USA	Indirect	100%
9	Trona Railway Company LLC, USA (Wholly Owned by SVM)	USA	Indirect	100%
10	Searles Valley Minerals Europe, France (Wholly Owned by SVM)	USA	Indirect	100%

C. Joint Venture

Name of the entity	Country	Nature of holding	Ownership interest held
Wardha Valley Coal Field Private 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

Nirma Credit & Capital Pvt. Ltd., Nirma Industries Pvt. Ltd., Nirma Chemical Works Pvt. Ltd., Nirma Management Services Pvt. Ltd., Navin Overseas FZC, UAE, Aculife Healthcare Private Ltd., Nirma AOP and Patel AOP.

Following companies were amalgamated with the company with effect from 01.04.2014. Banihal Holdings Pvt. Ltd., Kargil Holdings Pvt. Ltd., Kulgam Holdings Pvt. Ltd., Leh Holdings Pvt. Ltd.,Uri Holdings Pvt. Ltd. and Kanak Castor Products Pvt. Ltd.

Notes to the standalone financial statements

F. Entities over which Promoter has Significant Influence

Shree Rama Multi-tech Ltd,

Nirma Education and Research Foundation

Manjar Discretionary Trust

G. Key Management Personnel:

Particulars	Designation
Executive Directors	
Shri Hiren K. Patel	Managing Director
Shri Shailesh V. Sonara	Director (Environment and Safety)
Shri Kalpesh A. Patel	Executive Director (up to 20.08.2015)
Non Executive Directors	
Dr. Karsanbhai K. Patel	Chairman
Shri Rakesh K. Patel	Vice Chairman
Shri Pankaj R. Patel	Director
Shri Rajendra D. Shah	Director (up to 18.01.2017)
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 Rajendra J. Joshipara	Chief Financial Officer
Shri Paresh Sheth	Company Secretary

H. Relatives of Key Management Personnel

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

Dr. Karsanbhai K. Patel

Shri Rakesh K. Patel

I. Key Management Personnel compensation:

₹ in crore

Particulars	**31.03.2017**	31.03.2016	1.04.2015
Short-term employee benefits	**4.23**	3.46	3.27
Long-term post employment benefits	**0.28**	0.45	0.03
Total compensation	**4.51**	3.91	3.30

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:	31.03.2017	31.03.2016	1.04.2015
1	Purchase of finished goods / Materials	**7.67**	15.42	3.90
	Searles Valley Minerals Inc. USA	**7.67**	15.42	3.90
2	Sale of finished goods	**14.76**	Nil	Nil
	Nuvoco Vistas Corporation Ltd.	**14.76**	Nil	Nil
3	Sale of materials	**0.09**	Nil	Nil
	Nuvoco Vistas Corporation Ltd.	**0.09**	Nil	Nil
4	Interest income	**12.80**	Nil	0.01
	Nuvoco Vistas Corporation Ltd.*	**12.80**	Nil	Nil
	Nirlife Mexico SA DE C.V., Mexico	**Nil**	Nil	0.01
5	Acquisition of assets on account of amalgamation	**Nil**	Nil	1,318.07
	Siddhi Vinayak Cement Pvt. Ltd	**Nil**	Nil	1,318.07
6	Acquisition of liabilities on account of amalgamation	**Nil**	Nil	934.09
	Siddhi Vinayak Cement Pvt. Ltd	**Nil**	Nil	934.09
7	Reversal of guarantee commission	**Nil**	5.25	Nil
	Karnavati Holding Inc., USA	**Nil**	5.25	Nil
8	ICD given	**300.28**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**300.28**	Nil	Nil
9	ICD repaid	**0.50**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**0.50**	Nil	Nil
10	Investment in equity shares	**3,000.00**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**3,000.00**	Nil	Nil
11	Investment in Compulsory Convertible Debentures	**1,000.00**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**1,000.00**	Nil	Nil
12	Interest income on Compulsory Convertible Debentures	**10.76**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**10.76**	Nil	Nil
13	Guarantee Given	**170.00**	Nil	Nil
	Nuvoco Vistas Corporation Ltd*	**170.00**	Nil	Nil
14	Pledge of equity shares	**3,000.00**	Nil	Nil
	Nuvoco Vistas Corporation Ltd**	**3,000.00**	Nil	Nil
15	Closing balance - Credit	**Nil**	(3.63)	Nil
16	Closing balance - Debit	**327.51**	Nil	5.26
17	Closing balance - Guarantee	**170.00**	Nil	Nil

* Refer note 63

** 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 ₹ 4000 cr 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

₹ in crore

B.	Entities over which Promoters exercise control	31.03.2017	31.03.2016	1.04.2015
1	Sale of finished goods	**75.64**	2.61	2.83
	Navin Overseas FZC, UAE	**0.17**	0.70	2.52
	Aculife Healthcare Pvt. Ltd.	**0.87**	1.72	0.31
	Nirma Chemical Works Pvt. Ltd	**70.83**	Nil	Nil
2	Sale of materials	**Nil**	0.01	2.08
	Nirma University	**(₹ 9,154)**	0.01	(₹ 22,552)
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	2.08
3	Purchase of materials/Service	**113.37**	124.42	145.06
	Navin Overseas FZC, UAE	**113.14**	123.27	145.06
4	Redemption of preference shares	**10.00**	Nil	22.79
	Nirma Chemical Works Pvt. Ltd	**10.00**	Nil	8.79
	Nirma Credit and Capital Pvt. Ltd.	**Nil**	Nil	4.55
	Nirma Industries Pvt. Ltd.	**Nil**	Nil	5.53
	Nirma Management Services Pvt. Ltd.	**Nil**	Nil	3.92
5	Repayment of non convertible debentures	**45.00**	Nil	Nil
	Nirma Chemical Works Pvt. Ltd	**45.00**	Nil	Nil
6	Interest expenses	**60.61**	59.29	50.39
	Nirma Credit and Capital Pvt. Ltd.	**16.55**	Nil	Nil
	Nirma Chemical Works Pvt. Ltd.	**44.06**	59.16	48.94
7	ICD - taken	**1,028.93**	25.30	28.59
	Nirma Credit and Capital Pvt. Ltd	**378.77**	25.30	28.59
	Nirma Chemical Works Pvt. Ltd.	**650.16**	Nil	Nil
8	ICD - repaid	**926.12**	194.09	45.44
	Nirma Chemical Works Pvt. Ltd	**864.59**	187.94	16.85
	Nirma Credit and Capital Pvt. Ltd	**61.53**	6.15	28.59
9	Transfer of Assets on account of Demerger	**Nil**	Nil	659.02
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	659.02
10	Transfer of Liabilities on account of Demerger	**Nil**	Nil	622.95
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	622.95
11	Acquisition of Assets on account of Amalgamation	**Nil**	Nil	149.61
	Banihal Holdings Pvt. Ltd	**Nil**	Nil	21.82
	Kargil Holdings Pvt. Ltd.	**Nil**	Nil	23.09
	Kulgam Holdings Pvt. Ltd	**Nil**	Nil	23.62
	Leh Holdings Pvt. Ltd	**Nil**	Nil	22.65
	Uri Holdings Pvt. Ltd	**Nil**	Nil	23.22
	Kanak Castor Products Pvt. Ltd.	**Nil**	Nil	35.21
12	Acquisition of Liabilities on account of Amalgamation	**Nil**	Nil	26.63
	Kanak Castor Products Pvt. Ltd.	**Nil**	Nil	26.24
13	Buyback of Equity Shares	**Nil**	229.88	Nil
	Nirma AOP	**Nil**	114.24	Nil
	Patel AOP	**Nil**	114.24	Nil
14	Royalty Income	**0.72**	(₹ 25,000)	Nil
	Aculife Healthcare Pvt. Ltd.	**0.72**	(₹ 25,000)	Nil
15	Net closing balance - debit	**5.08**	0.76	2.82
16	Net closing balance - credit	**525.78**	605.62	536.50

₹ in crore

C.	Entities over which Promoter has Significant Influence	31.03.2017	31.03.2016	1.04.2015
1	Sale of finished goods	**0.04**	Nil	Nil
	Nirma Education and Research Foundation	**0.04**	Nil	Nil
2	Sale of materials	**0.24**	0.53	0.40
	Shree Rama Multitech Ltd	**0.24**	0.53	0.40
3	Sale of services	**0.85**	Nil	Nil
	Nirma Education and Research Foundation	**0.85**	Nil	Nil
4	Purchase of materials	**0.16**	0.15	1.42
	Shree Rama Multitech Ltd	**0.16**	0.15	1.42
5	Interest income	**Nil**	(₹ 25,056)	6.80
	Shree Rama Multitech Ltd	**Nil**	Nil	5.55
	Nirma Education and Research Foundation	**Nil**	(₹ 25,056)	1.25
6	Loan / ICD-Recovered	**Nil**	Nil	82.87
	Shree Rama Multitech Ltd	**Nil**	Nil	54.54
	Nirma Education and Research Foundation	**Nil**	0.63	28.33
7	Expenditure on Corporate Social Responsibility Activities	**1.93**	0.82	4.05
	Nirma Education and Research Foundation	**1.93**	0.82	4.05
8	Guarantee commission income	**0.13**	0.20	(₹ 43,836)
	Shree Rama Multi-tech Ltd	**0.13**	0.20	(₹ 43,836)
9	Rent Expense	**0.27**	Nil	Nil
	Manjar Discretionary Trust	**0.27**	Nil	Nil
10	Net closing balance - debit	**1.12**	0.36	0.64
11	Closing balance - Guarantee	**80.00**	80.00	80.00

Notes to the standalone financial statements

₹ in crore

D.	Key Management Personnel	31.03.2017	31.03.2016	1.04.2015
1	Remuneration	**3.82**	3.34	2.13
	Shri Hiren K. Patel	**2.78**	1.15	0.77
	Shri Kalpesh A. Patel	**Nil**	0.99	0.53
	Shri R. J. Joshipara	**0.57**	0.68	0.46
	Shri Paresh Sheth	**0.31**	0.41	0.26
2	Loan - taken	**261.68**	107.86	117.01
	Shri Hiren K. Patel	**261.68**	107.86	117.01
3	Loan - repaid	**150.81**	36.25	199.69
	Shri Hiren K. Patel	**150.81**	36.25	199.69
4	Loan - recovered	**Nil**	0.05	0.03
	Shri Paresh Sheth	**Nil**	0.05	0.03
5	Interest Income	**Nil**	0.01	Nil
	Shri Paresh Sheth	**Nil**	0.01	Nil
6	Interest expenses	**4.31**	4.05	8.41
	Shri Hiren K. Patel	**4.31**	4.05	8.41
7	Perquisites	**0.69**	0.57	1.17
	Shri Hiren K. Patel	**0.69**	0.57	1.17
8	Net closing balance - debit	**Nil**	Nil	0.05
9	Net closing balance - credit	**223.24**	112.37	40.77

₹ in crore

E.	Relatives of Key Management Personnel	31.03.2017	31.03.2016	1.04.2015
1	Directors' fees	**0.02**	0.01	0.01
	Dr. Karsanbhai K. Patel	**0.01**	(₹ 40,000)	0.01
	Shri Rakesh K. Patel	**0.01**	(₹ 30,000)	(₹ 40,000)
2	Directors' Remuneration	**0.02**	0.01	Nil
	Dr. Karsanbhai K. Patel	**0.01**	(₹ 53,137)	Nil
	Shri Rakesh K. Patel	**0.01**	(₹ 57,477)	Nil
3	Interest expenses	**4.39**	6.56	9.70
	Shri Rakesh K. Patel	**4.39**	6.56	9.70
4	Loan - taken	**258.10**	178.54	163.33
	Shri Rakesh K. Patel	**258.10**	178.54	163.33
5	Loan - repaid	**145.87**	65.66	280.58
	Shri Rakesh K. Patel	**145.87**	65.66	280.58
6	Closing balance - credit	**255.75**	143.52	30.64

₹ in crore

F.	Non-Executive Directors	31.03.2017	31.03.2016	1.04.2015
1	Sitting Fees	**0.05**	0.02	0.02
	Shri Pankaj R. Patel	**0.01**	(₹ 20,000)	(₹ 20,000)
	Shri Rajendra D. Shah (Resigned w.e.f. 18.01.2017)	**(₹ 50,000)**	(₹ 30,000)	(₹ 50,000)
	Shri Chinubhai R. shah	**0.01**	(₹ 40,000)	(₹ 50,000)
	Shri Kaushik N. Patel	**0.01**	(₹ 40,000)	(₹ 50,000)
	Shri Vijay R. Shah	**0.01**	(₹ 40,000)	Nil
	Smt. Purvi A. Pokhariyal	**0.01**	(₹ 40,000)	Nil

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 50

Financial instruments – Fair values and risk management

I. Accounting classification and fair values

₹ 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		0.06		0.06
Loans (non-current)			313.50	313.50			313.50	313.50
Loans (current)			73.42	73.42			73.42	73.42
Other non current financial assets			3.13	3.13			3.13	3.13
Other current financial assets			10.29	10.29			10.29	10.29
Trade receivables			468.73	468.73			468.73	468.73
Cash and cash equivalents			52.62	52.62			52.62	52.62
Other bank balances			20.42	20.42			20.42	20.42
Total Financial Assets	**1,009.64**	**64.11**	**942.17**	**2,015.92**	**47.33**	**0.06**	**1,968.53**	**2,015.92**
Financial liabilities measured at amortised cost								
Non current borrowings			4,549.40	4,549.40		4,549.40		4,549.40
Current borrowings			1,041.40	1,041.40			1,041.40	1,041.40
Non current financial liabilities - Others			138.47	138.47		138.47		138.47
Trade payables			238.85	238.85			238.85	238.85
Other financial liabilities			339.64	339.64			339.64	339.64
Total Financial Liabilities	**Nil**	**Nil**	**6,307.76**	**6,307.76**	**Nil**	**4,687.87**	**1,619.89**	**6,307.76**

Notes to the standalone financial statements

Note 50

Financial instruments – Fair values and risk management

₹ in crore

31.03.2016	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								
Mutual funds - Liquid funds	140.00			140.00	140.00			140.00
Listed equity instruments		55.07		55.07	55.07			55.07
Unquoted equity instruments		13.30		13.30			13.30	13.30
Financial assets measured at amortised cost								
Unquoted government securities			0.06	0.06		0.06		0.06
Loans (non-current)			2.68	2.68			2.68	2.68
Loans (current)			46.37	46.37			46.37	46.37
Other non current financial assets			3.10	3.10			3.10	3.10
Other current financial assets			11.01	11.01			11.01	11.01
Trade receivables			474.28	474.28			474.28	474.28
Cash and cash equivalents			37.40	37.40			37.40	37.40
Other bank balances			19.53	19.53			19.53	19.53
Total Financial Assets	140.00	68.37	594.43	802.80	195.07	0.06	607.67	802.80
Financial liabilities measured at amortised cost								
Non current borrowings			523.77	523.77		523.77		523.77
Current borrowings			409.58	409.58			409.58	409.58
Non current financial liabilities - Others			126.17	126.17		126.17		126.17
Trade payables			265.51	265.51			265.51	265.51
Other financial liabilities			233.45	233.45			233.45	233.45
Total Financial Liabilities	Nil	Nil	1,558.48	1,558.48	Nil	649.94	908.54	1,558.48

Note 50

Financial instruments – Fair values and risk management

₹ in crore

01.04.2015	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								
Mutual funds - Liquid funds	105.00			105.00	105.00			105.00
Listed equity instruments		46.82		46.82	46.82			46.82
Unquoted equity instruments		8.70		8.70			8.70	8.70
Financial assets measured at amortised cost								
Unquoted government securities			0.05	0.05		0.05		0.05
Loans (non-current)			3.05	3.05			3.05	3.05
Loans (current)			208.05	208.05			208.05	208.05
Other non current financial assets			19.94	19.94			19.94	19.94
Other current financial assets			9.63	9.63			9.63	9.63
Trade receivables			377.75	377.75			377.75	377.75
Cash and cash equivalents			13.84	13.84			13.84	13.84
Other bank balances			4.65	4.65			4.65	4.65
Total Financial Assets	105.00	55.52	636.96	797.48	151.82	0.05	645.61	797.48
Financial liabilities measured at amortised cost								
Non current borrowings			735.19	735.19		735.19		735.19
Current borrowings			572.00	572.00			572.00	572.00
Non current financial liabilities - Others			116.22	116.22		116.22		116.22
Trade payables			190.35	190.35			190.35	190.35
Other financial liabilities			224.29	224.29			224.29	224.29
Total Financial Liabilities	Nil	Nil	1,838.05	1,838.05	Nil	851.41	986.64	1,838.05

Notes to the standalone financial statements

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

₹ in crore

	31.03.2017		31.03.2016		1.04.2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Investments						
Loans (non-current)	**313.50**	**313.50**	2.68	2.68	3.05	3.05
Unquoted government securities	**0.06**	**0.06**	0.06	0.06	0.05	0.05
Other non current financial assets	**3.13**	**3.13**	3.10	3.10	19.94	19.94
Total financial assets	**316.69**	**316.69**	5.84	5.84	23.04	23.04
Financial liabilities						
Non current borrowings	**4,549.40**	**4,549.40**	523.77	523.77	735.19	735.19
Non current financial liabilities- Others	**138.47**	**138.47**	126.17	126.17	116.22	116.22
Total financial liabilities	**4,687.87**	**4,687.87**	649.94	649.94	851.41	851.41

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 3 fair values in the fair value hierarchy due to the use of unobservable 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 17, 31 March 16 and 1 April 15 is as below:

₹ in crore

Particulars	Equity Instruments	Compulsorily Convertible Debentures
As at 1 April 2015	**8.70**	**Nil**
Acquisitions/ (disposals)	Nil	Nil
Gains/ (losses) recognised in other comprehensive income	4.60	Nil
Gains/ (losses) recognised in statement of profit or loss	Nil	Nil
As at 31 March 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	9.64
As at 31 March 2017	**16.78**	**1,009.64**

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	**31.03.2017**		31.03.2016		1.04.2015	
	Other Comprehensive Income		Other Comprehensive Income		Other Comprehensive Income	
	Increase	**Decrease**	Increase	Decrease	Increase	Decrease
Unquoted equity instruments measured through OCI 5% movement	**0.84**	**0.84**	0.66	0.66	0.43	0.43

Note 51 : 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.

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, 2017, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

₹ in crore

	Carrying amount		
	31.03.2017	31.03.2016	01.04.2015
Domestic	**463.07**	468.38	368.92
Other regions	**5.66**	5.90	8.83
	468.73	474.28	377.75

A.1. Impairment

At March 31, 2017, the ageing of trade and other receivables that were not impaired was as follows.

₹ in crore

Particulars	Carrying amount								
	31.03.2017			31.03.2016			1.04.2015		
	Gross	**Provision**	**Net**	Gross	Provision	Net	Gross	Provision	Net
Neither past due nor impaired	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil
Upto 30 days	**298.67**	**Nil**	**298.67**	295.99	Nil	295.99	210.80	Nil	210.80
Between 31–90 days	**145.12**	**Nil**	**145.12**	143.64	Nil	143.64	139.50	Nil	139.50
More than 90 days	**26.74**	**1.80**	**24.94**	36.36	1.71	34.65	29.16	1.71	27.45
	470.53	**1.80**	**468.73**	475.99	1.71	474.28	379.46	1.71	377.75
% of expected credit losses (More than 90 days)		**0.38%**			0.36%			0.45%	

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 31.03.2017, 31.03.2016 and 1.04.2015.

A.2. Movement in provision of doubtful debts

₹ in crore

Particulars	**31.03.2017**	31.03.2016	1.04.2015
Opening provision	**1.71**	1.71	1.71
Additional provision made	**0.09**	Nil	Nil
Provision write off	**Nil**	Nil	Nil
Provision reversed	**Nil**	Nil	Nil
Closing provisions	**1.80**	1.71	1.71

Notes to the standalone financial statements

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 ₹ 383.16 cr (March 31, 2016: ₹ 134.43 cr and April 1, 2015: ₹ 491.75 cr) that is secured through book debts and stock. Interest is payable at the rate of varying from 9% - 12% p.a.

(2) Unsecured commercial papers of ₹ 658.24 cr (March 31, 2016: ₹ Nil, April 1, 2015: ₹ Nil) are issued for a period ranging from 15 to 90 days. Interest is payable at the rate ranging from 6% to 8% p.a.

(3) Inter-corporate deposit of ₹ Nil (March 31, 2016: ₹ 19.26 cr and April 1, 2015: ₹ Nil). Interest is payable at the rate ranging from 6% - 9% p.a.

(4) Overdraft facility of ₹ Nil (March 31, 2016: ₹ Nil and April 1, 2015: ₹ 8.84 cr at 11% p.a.), is secured against the corporate guarantee.

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

₹ in crore

	As at		
Particulars	**31.03.2017**	31.03.2016	1.04.2015
Fund Base Expiring within one year (bank overdraft and other facilities)	**816.84**	1,065.57	508.25
Non Fund Base Expiring within one year (bank overdraft and other facilities)	**211.19**	291.10	256.69

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

31.03.2017	**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**	**Nil**	**2,172.78**	**1,550.66**	**825.96**	**4549.40**
Non current financial liabilities	**138.47**	**Nil**	**0.02**	**Nil**	**138.45**	**138.47**
Current financial liabilities	**1,041.39**	**1,041.39**	**Nil**	**Nil**	**Nil**	**1041.39**
Trade and other payables	**238.85**	**238.85**	**Nil**	**Nil**	**Nil**	**238.85**
Other current financial liabilities	**339.63**	**339.63**	**Nil**	**Nil**	**Nil**	**339.63**

₹ in crore

31.03.2016	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	523.76	Nil	395.42	119.90	8.44	523.76
Non current financial liabilities	126.17	Nil	0.03	Nil	126.14	126.17
Current financial liabilities	409.58	409.58	Nil	Nil	Nil	409.58
Trade and other payables	265.51	265.51	Nil	Nil	Nil	265.51
Other current financial liabilities	233.45	233.45	Nil	Nil	Nil	233.45

₹ in crore

01.04.2015	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	735.20	Nil	547.14	179.85	8.21	735.20
Non current financial liabilities	116.22	Nil	0.03	Nil	116.19	116.22
Current financial liabilities	572.00	572.00	Nil	Nil	Nil	572.00
Trade and other payables	190.35	190.35	Nil	Nil	Nil	190.35
Other current financial liabilities	224.29	224.29	Nil	Nil	Nil	224.29

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 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 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 1.37% of total sales this is not perceived to be a major risk. The average imports account for 27.59% 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	31.03.2017	31.03.2016	1.04.2015
a) Against export	**USD**	**0.09**	0.09	0.14
	INR	**5.66**	5.90	8.81
	GBP	**Nil**	Nil	(2,036)
	INR	**Nil**	Nil	0.02
b) Against import (including capital import)	**USD**	**0.02**	0.19	(35,661)
	INR	**1.49**	12.51	0.22
	EURO	**Nil**	0.02	(5,103)
	INR	**Nil**	1.82	0.03
	GBP	**Nil**	Nil	(8,035)
	INR	**Nil**	Nil	0.07
Net statement of financial exposure	**USD**	**0.06**	(0.10)	0.13
	INR	**4.17**	(6.61)	8.59
	GBP	**Nil**	Nil	(3,067)
	INR	**Nil**	Nil	(0.05)
	EURO	**Nil**	(0.02)	(5,103)
	INR	**Nil**	(1.82)	(0.03)

Notes to the standalone financial statements

A.2. Sensitivity

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

₹ 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**

₹ in crore

As on 31.03.2016	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease) USD	0.33	0.33

₹ in crore

As on 01.04.2015	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease) USD	0.43	0.43

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	**31.03.2017**	31.03.2016	1.04.2015
Fixed-rate instruments			
Financial assets	**415.02**	79.56	236.89
Financial liabilities	**4,435.00**	1,078.66	1,505.20
Total	**4,850.02**	1,158.22	1,742.09
Variable-rate instruments			
Financial liabilities	**1,474.80**	Nil	Nil
Total	**1,474.80**	Nil	Nil

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

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

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 31.03.2017	**Impact on profit before tax**	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	**6.86**	**6.86**

₹ in crore

As on 31.03.2016	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	Nil	Nil

₹ in crore

As on 01.04.2015	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	Nil	Nil

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 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 31.03.2017	**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**

₹ in crore

As on 31.03.2016	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	2.75	2.75
Unquoted Mutual Fund instruments (1% increase/ decrease)	1.40	1.40	Nil	Nil

₹ in crore

As on 01.04.2015	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	2.34	2.34
Unquoted Mutual Fund instruments (1% increase/ decrease)	1.05	1.05	Nil	Nil

Notes to the standalone financial statements

Note 52 : 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.

The company's adjusted net debt to equity ratio at March 31, 2017 was as follows.

₹ in crore

Particulars	As at		
	31.03.2017	31.03.2016	1.04.2015
Total liabilities	**7,056.06**	2,121.28	2,112.29
Less : Cash and bank balances	**73.04**	56.93	18.49
Adjusted net debt	**6,983.02**	2,064.35	2,093.80
Total equity	**4,236.73**	3,796.35	3,475.62
Adjusted net debt to adjusted equity ratio	**1.65**	0.54	0.60

Note 53 : Earnings per share

[Number of shares]

Particulars	**31.03.2017**	31.03.2016
Issued equity shares	**146,075,130**	154,877,026
Weighted average shares outstanding - Basic and Diluted - A	**146,075,130**	154,877,026

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	**31.03.2017**	31.03.2016
Profit and loss after tax	**431.38**	589.50
Profit and loss after tax for EPS - B	**431.38**	589.50
Basic Earnings per share [B/A] [₹]	**29.53**	38.06
Diluted Earnings per share [B/A] [₹]	**29.53**	38.06

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 54

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.

Notes to the standalone financial statements

Note 55

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.

Note 56 : Exceptional items:

Exceptional item amounting to ₹ 102.13 cr represents certain assets written off in respect of Cement project at Mahuva, Gujarat.

Note 57 : 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	31.03.2017	31.03.2016	1.04.2015
Principal amount remaining unpaid to any supplier as at the year end.	**0.42**	0.06	0.41
Interest due thereon	**Nil**	Nil	Nil
Amount of interest paid by the Company in terms of section 16	**Nil**	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	Nil
Amount of interest accrued and remaining unpaid at the end of accounting year.	**Nil**	Nil	Nil

Note 58

Disclosure required pursuant to notification no. G.S.R.307 (E) and Notification No. G.S.R.308 (E) dated 30th March, 2017.

Disclosure in respect of specified bank notes held and transacted.

(Amount in ₹)

Particulars	Specified Bank Notes (SBNs)	Other denomination notes & Coins	Total
Closing cash in hand as on 08.11.2016	12,425,500	3,539,166	15,964,666
(+) Permitted receipts	Nil	13,223,176	13,223,176
(-) Permitted payments	490,000	10,304,075	10,794,075
(-) Amount deposited in Banks	11,935,500	Nil	11,935,500
Closing cash in hand as on 30.12.2016	**Nil**	**6,458,267**	**6,458,267**

Specified Bank Notes is defined as Bank Notes of denomination of the existing series of the value of five hundred rupees and one thousand rupees.

Notes to the standalone financial statements

Note 59 : Other disclosures

₹ in crore

Particulars	31.03.2017	31.03.2016
I. Payment to Auditors		
A. Statutory Auditors		
(1) For Statutory Audit	**0.50**	0.50
(2) For Tax Audit	**0.25**	0.25
(3) For Limited Review	**0.25**	Nil
(4) For Taxation Matters	**0.75**	0.50
(5) Out of pocket expenses	**0.01**	0.01
Total	**1.76**	1.26
B. Cost Auditors		
Audit Fee	**0.03**	0.03
Total	**0.03**	0.03

Note 60 : Expenditure on corporate social responsibility activities

I. Gross amount required to be spent by the Company during the year ₹ 9.61 Crore (p.y. ₹ 5.85 Crore)

II. Amount spent during the year:

₹ in crore

Particulars	In Cash	Yet to be paid in cash	Total
A. Construction of an asset	**6.00** (p.y. 3.63)	**Nil** (p.y. Nil)	**6.00** (p.y. 3.63)
B. On purpose other than (i) above	**3.61** (p.y. 2.22)	**Nil** (p.y. Nil)	**3.61** (p.y. 2.22)
Total	**9.61** (p.y. 5.85)	**Nil** (p.y. Nil)	**9.61** (p.y. 5.85)

Note 61

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

₹ in crore

Particulars	31.03.2017	31.03.2016
Nuvoco Vistas Corporation Ltd.*		
Loan		
Balance as at the year end	**311.31**	Nil
Maximum amount outstanding at any time during the year	**311.31**	Nil
Compulsorily Convertible Debentures		
Balance as at the year end	**1,000.00**	Nil
Maximum amount outstanding at any time during the year	**1,000.00**	Nil
Equity Shares		
Balance as at the year end	**3,000.00**	Nil
Maximum amount outstanding at any time during the year	**3,000.00**	Nil

[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. Nil)]

*Refer note no. 63

Notes to the standalone financial statements

Note 62

The financial statements are approved for issue by the Audit Committee as at its meeting on May 24, 2017 and by the Board of Directors on May 25, 2017.

Note 63

The Company has made investment of ₹ 4000 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 was 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 64

Figures have been presented in 'crore' of rupees with two decimals. Figures less than ₹ 50,000 have been shown at actual in brackets

Note 65 : Transition to Ind AS:

These financial statements, for the year ended 31 March 2017, are the first the company has prepared in accordance with Ind-AS. For periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and the opening Ind AS balance sheet at 1 April 2015 (the "transition date").

In preparing the opening Ind AS balance sheet, the company has adjusted amounts reported in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables.

I. Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

A. Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

B. Decommissioning liabilities included in the cost of PPE

A first-time adopter need not to comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. If a first-time adopter uses this exemption, it shall:

- measure the liability at the transition date in accordance with Ind AS 37;
- using the historical risk adjusted discount rate, determine the amount which would have been capitalised when the liability first arose; and
- compute the amount of depreciation based on the estimated useful life.

Accordingly, the Company has elected to apply the exemption for the obligations arising on account of decommissioning cost.

C. Recognised of financial instruments through FVOCI

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity instruments.

Notes to the standalone financial statements

D. Deemed cost for investments in equity shares of subsidiaries

Under Ind AS 101, an entity can determine the value of investment in a subsidiary, associate or joint arrangement as either of the below:

- Cost determined in accordance with Ind AS 27 (i.e. retrospective application of Ind AS 27)
- Fair value at the entity's date of transition to Ind AS
- Previous GAAP carrying amount

Accordingly, the Company has elected to carry forward the previous GAAP amounts as the deemed cost for investment in equity shares of subsidiary in the standalone financial statements.

II. Mandatory Exceptions

A. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in financial instruments carried at FVTPL or FVOCI;and
- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost.
- Discounted value of liability on account of decommissioning cost.

B. Classification and measurement of financial assets

Ind AS 101 provides exemptions to certain classification and measurement requirements of financial assets under Ind AS 109, where these are impracticable to implement. Classification and measurement is done on the basis of facts and circumstances existing as on the transition date. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the transition date.

III. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS required under Ind AS 101.

A. Reconciliation of balance sheet as at April 1, 2015 (Transition Date)

B. (1) Reconciliation of Balance sheet as at March 31, 2016

(2) Reconciliation of Total Comprehensive Income for the year ended March 31, 2016.

C. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016.

D. Adjustments to Statement of Cash Flows.

A. Reconciliation of balance sheet as at 1.04.2015 (Transition Date) ₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	65.9	2,756.02	9.19	2,765.21
(b) Capital work-in-progress		347.81	Nil	347.81
(c) Investment property		10.30	Nil	10.30
(d) Goodwill		Nil	Nil	Nil
(e) Other Intangible assets		9.24	Nil	9.24
(f) Investment in subsidiaries		533.38	Nil	533.38
(g) Financial assets				
(i) Investments	65.1	22.58	32.99	55.57
(ii) Loans		3.05	Nil	3.05
(iii) Others	65.2	19.97	(0.03)	19.94
(h) Deferred tax assets (net)	65.3	Nil	Nil	Nil
(i) Other non-current assets	65.3	204.24	(172.00)	32.24
Total non-current assets		**3,906.59**	**(129.85)**	**3,776.74**
Current Assets				
(a) Inventories	65.4	810.36	9.68	820.04
(b) Financial Assets				
(i) Investments		105.00	Nil	105.00
(ii) Trade receivables	65.4	416.02	(38.27)	377.75
(iii) Cash and cash equivalents		13.84	Nil	13.84
(iv) Other bank balances	65.2	1.24	3.41	4.65
(v) Loans		208.05	Nil	208.05
(vi) Other financial assets	65.2	13.17	(3.54)	9.63
(c) Current tax assets		95.87	Nil	95.87
(d) Other current assets		175.65	0.69	176.34
Total current assets		**1,839.20**	**(28.03)**	**1,811.17**
TOTAL ASSETS		**5,745.79**	**(157.88)**	**5,587.91**

Notes to the standalone financial statements

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	65.5	87.87	(10.00)	77.87
(b) Other equity	65.1 & 65.5	3,376.06	21.69	3,397.75
Equity attributable to equity holders of the parent		**3,463.93**	**11.69**	**3,475.62**
Non-controlling interests		Nil	Nil	Nil
Total equity		**3,463.93**	**11.69**	**3,475.62**
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	65.5 & 65.6	727.14	8.05	735.19
(ii) Other financial liabilities	65.2	116.19	0.03	116.22
(b) Provisions		40.60	Nil	40.60
(c) Deferred tax liabilities (net)	65.3	286.62	(177.63)	108.99
Total non-current liabilities		**1,170.55**	**(169.55)**	**1,001.00**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	65.6	572.00	Nil	572.00
(ii) Trade payables		190.35	Nil	190.35
(iii) Other financial liabilities	65.2	224.31	(0.02)	224.29
(b) Other current liabilities		115.33	Nil	115.33
(c) Provisions		9.32	Nil	9.32
(d) Current tax liabilities		Nil	Nil	Nil
Total current liabilities		**1,111.31**	**(0.02)**	**1,111.29**
Total liabilities		**2,281.86**	**(169.57)**	**2,112.29**
Total Equity and Liabilities		**5,745.79**	**(157.88)**	**5,587.91**

* The presentation requirements under previous GAAP refers from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the financial statements of the company prepared in accordance with previous GAAP.

B.1. Reconciliation of Balance sheet as at 31.03.2016

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	65.9	2,777.47	65.04	2,842.51
(b) Capital work-in-progress		586.77	39.18	625.95
(c) Investment property		10.30	Nil	10.30
(d) Goodwill		Nil	Nil	Nil
(e) Other Intangible assets		31.13	(18.65)	12.48
(f) Investment in subsidiaries		533.38	Nil	533.38
(g) Financial assets				
(i) Investments	65.1	22.10	46.33	68.43
(ii) Loans		2.68	Nil	2.68
(iii) Others	65.2	3.16	(0.06)	3.10
(h) Deferred tax assets (net)		Nil	Nil	Nil
(i) Other non-current assets	65.3	305.46	(166.91)	138.55
Total non-current assets		**4,272.45**	**(35.07)**	**4,237.38**
Current Assets				
(a) Inventories	65.4	879.80	(68.86)	810.94
(b) Financial Assets				
(i) Investments	65.1	137.93	2.07	140.00
(ii) Trade receivables	65.4	502.71	(28.43)	474.28
(iii) Cash and cash equivalents		37.40	Nil	37.40
(iv) Other bank balances	65.2	18.29	1.24	19.53
(v) Loans		46.37	Nil	46.37
(vi) Other financial assets	65.2	12.47	(1.46)	11.01
(c) Current tax assets		Nil	Nil	Nil
(d) Other current assets		139.79	0.93	140.72
Total current assets		**1,774.76**	**(94.51)**	**1,680.25**
TOTAL ASSETS		**6,047.21**	**(129.58)**	**5,917.63**

Notes to the standalone financial statements

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	65.5	83.04	(10.00)	73.04
(b) Other equity	65.1 & 65.5	3,682.12	41.19	3,723.31
Equity attributable to equity holders of the parent		**3,765.16**	**31.19**	**3,796.35**
Non-controlling interests		Nil	Nil	Nil
Total equity		**3,765.16**	**31.19**	**3,796.35**
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	65.5 & 65.6	515.43	8.34	523.77
(ii) Other financial liabilities	65.2	126.12	0.05	126.17
(b) Provisions		45.16	Nil	45.16
(c) Deferred tax liabilities (net)	65.3	342.56	(169.11)	173.45
(d) Other non-current liabilities		Nil	Nil	Nil
Total non-current liabilities		**1,029.27**	**(160.72)**	**868.55**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	65.6	409.58	Nil	409.58
(ii) Trade payables		265.51	Nil	265.51
(iii) Other financial liabilities	65.2	233.50	(0.05)	233.45
(b) Other current liabilities		167.34	Nil	167.34
(c) Provisions		9.21	Nil	9.21
(d) Current tax liabilities		167.64	Nil	167.64
Total current liabilities		**1,252.78**	**(0.05)**	**1,252.73**
Total liabilities		**2,282.05**	**(160.77)**	**2,121.28**
Total Equity and Liabilities		**6,047.21**	**(129.58)**	**5,917.63**

B.2. Reconciliation of total comprehensive income for the year ended 31.03.2016

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
I. Revenue from Operations (Gross)	65.4	4,770.39	405.98	5,176.37
II. Other income	65.7	66.57	1.25	67.82
III. Total Income (I+II)		4,836.96	407.23	5,244.19
IV. Expenses				
Cost of materials consumed		1,444.99	Nil	1,444.99
Purchase of Traded Goods		31.48	Nil	31.48
Changes in inventories of finished goods, work-in-progress and stock-in-trade	65.4	68.76	10.70	79.46
Excise duty	65.4	Nil	587.63	587.63
Employee Benefits Expenses	65.8	277.50	(1.00)	276.49
Finance costs		71.83	0.29	72.12
Depreciation and Amortization Expenses		279.65	7.95	287.60
Other Expenses	65.4	1,849.03	(208.12)	1,640.91
Total Expenses (IV)		**4,023.24**	**397.45**	**4,420.68**
V. Profit/(loss) before Exceptional Items and Tax		**813.73**	**9.78**	**823.51**
VI. Exceptional Items		Nil	Nil	Nil
VII. Profit/(loss) before Tax		**813.73**	**9.78**	**823.51**
VIII. Tax expense:				
1. Current Tax		175.00	Nil	175.00
2. Tax expense relating to earlier years		(5.33)	Nil	(5.33)
3. MAT Credit utilised		20.00	Nil	20.00
4. MAT credit entitlement related to earlier years		(14.91)	Nil	(14.91)
5. Deferred Tax	65.3	55.94	3.31	59.25
IX. Profit/(Loss) for the period from continuing operations		**583.03**	**6.47**	**589.50**
X. Profit/(Loss) for the period from discontinued operations		Nil	Nil	Nil
XI. Tax expense of discontinued operations		Nil	Nil	Nil
XII. Profit/(Loss) from Discontinued operations after tax		Nil	Nil	Nil
XIII. Profit/(Loss) for the period		**583.03**	**6.47**	**589.50**
XIV. Other comprehensive income				
A. Items that will not be reclassified to profit or loss	65.8 & 65.11	Nil	13.15	13.15
Income tax related to items that will not be reclassified to profit or loss	65.3 & 65.11	Nil	(0.12)	(0.12)
B. Items that will be reclassified to profit or loss		Nil	Nil	Nil
Income tax related to items that will be reclassified to profit or loss		Nil	Nil	Nil
XV. Total comprehensive income for the period		**583.03**	**19.74**	**602.53**

Notes to the standalone financial statements

C. Reconciliation of Equity as at 1.04.2015 and as at 31.03.2016

The impact of above Ind AS adjustments is as below: ₹ in crore

Particulars	Footnote ref.	31.03.2016	1.04.2015
Previous GAAP Total equity (A)		3,765.16	3,463.93
Ind AS adjustments			
Deferral of revenue and related cost for CIF / FOR sales	65.4	(9.34)	(8.61)
Fair valuation of investments in mutual funds	65.7	2.08	Nil
Accounting for NCDs and preference shares at amortised cost	65.5 & 65.6	1.65	1.95
Reclassification of Actuarial gains and losses to OCI	65.8	1.00	Nil
Capitalisation of stores and spares	65.9	(3.15)	(10.27)
Other adjustments (including reclassification of preference shares to liability)	65.5	(10.82)	(10.00)
Other adjustments (including reclassification of preference shares to liability)	65.10	1.43	Nil
Deferred tax on the above	65.3	3.21	6.52
Total Adjustments accounted through P&L (B)		**(13.94)**	**(20.41)**
Other comprehensive income			
Fair valuation of investment in non-group entities	65.1	47.14	32.99
Reclassification of Actuarial gains and losses to OCI	65.8	(1.00)	Nil
Deferred tax on the above	65.3	(1.01)	(0.89)
Total Adjustments accounted through OCI (C)		**45.13**	**32.10**
Total impact on account of Ind AS adjustments (D) = (B) + (C)		**31.19**	**11.69**
Total Equity after Ind AS adjustments (E) = (A) + (D)		**3,796.35**	**3,475.62**

D. Adjustments to Statement of Cash Flows

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Net Cash Flow from operating activities		1,215.29	28.11	1,243.40
Net Cash Flow from investing activities		(532.10)	(45.16)	(577.26)
Net Cash Flow from financing activities		(642.58)	8.84	(633.74)
Net Increase/ (decrease) in cash and cash equivalents	65.1 to 65.14	**40.61**	**(8.21)**	**32.40**
Cash and Cash equivalents as at 1st April 2015		15.08	(10.08)	5.00
Effect of exchange rate changes on cash and cash equivalents		Nil	Nil	Nil
Cash and Cash equivalents as at 31st March 2016		**55.69**	**(18.29)**	**37.40**

65.1 FVTOCI financial assets:

Under previous GAAP, the company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind-AS, the company has designated such investments as FVTOCI investments. Ind-AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind-AS, difference between the instruments fair value and previous GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.

The breakup of quoted and unquoted investments as on 1.04.2015 are details as below:

₹ in crore

Name of Investments	Book Value	Market Value		Increase/ (Decrease)
		Quoted	Unquoted	
Mahanagar Telephone Nigam Ltd.	0.09	0.15	Nil	0.06
Gujarat Heavy Chemicals Ltd.	1.25	2.31	Nil	1.06
Tamilnadu Petro Products Ltd.	0.87	1.40	Nil	0.53
Torrent Pharmaceuticals Ltd.	12.09	41.92	Nil	29.83
Shreyans Industries Ltd.	0.00	0.00	Nil	(0.00)
Reliance Communication Ltd.	0.51	0.22	Nil	(0.29)
Reliance Industries Ltd.	0.87	0.82	Nil	(0.04)
Gold plus glass industry Ltd.	6.60	Nil	6.23	(0.37)
The Kalupur Commercial Co-operative Bank Ltd.	0.14	Nil	1.54	1.40
Enviro Infrastructure Company Limited	0.10	Nil	0.93	0.83
Increase/ (decrease) before impact of deferred tax				**33.00**
Deferred Tax impact on quoted investments	Nil	Nil	Nil	(0.05)
Deferred Tax impact on unquoted investments	Nil	Nil	Nil	(0.19)
Increase/ (decrease) after impact of deferred tax	**22.52**	**46.82**	**8.70**	**32.76**

65.2 Reclassification of interest accrued

Under previous GAAP, when company has invested in fixed deposits with the banks, the interest is accrued on the same at each reporting date. Under Ind AS Fixed deposits are to be reported at amortised cost with reclassification of interest accrued but not due with fixed deposits.

Further, under previous GAAP, when company has Non convertible debentures and trade deposits, the interest is accrued on the same at each reporting date.

Under Ind AS, these are to be reported at amortised cost with reclassification of interest accrued but not due with respective liabilities.

65.3 Deferred tax assets (net) :

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Further, company has recognised MAT credit entitlement as deferred tax assets.

The changes in deferred tax liability is as follows: ₹ in crore

Particulars	Footnote ref.	31.03.2016	1.04.2015
Sales on FOR terms deferred	65.4	3.23	2.98
MAT credit entitlement	65.3	166.91	172.00
Others		(1.04)	2.64
Total		169.11	177.63

Notes to the standalone financial statements

65.4 Revenue recognition:

Excise duty - Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods for the financial year 2015-16 under Ind AS has increased by ₹ 586.74 cr with a corresponding increase in other expense.

Timing of revenue recognition - Under previous GAAP, goods sold on FOR terms were recorded at the time of dispatch. However, under Ind AS, revenue is to be recognised based on transfer of risk and reward to customers. This has resulted in increase in inventories and corresponding reduction in sales, cost of goods sold and profit margin.

Cash incentives - Under previous GAAP, cash incentives provided to customers were recorded under Other expenses. Under Ind AS, all such cash incentives given to customers are recorded net off revenue. This has resulted in reduction in sales and other expenses and will have no impact on profit.

Non cash incentives - Under Ind AS, revenue attributable to open schemes at the reporting date is to be deferred along with the corresponding costs.

65.5 Non convertible preference shares:

The company has issued redeemable non cumulative, non convertible preference shares. The preference shares carry fixed dividend which is non-discretionary. Under previous GAAP, the preference shares were classified as equity at face value of the proceeds. Under Ind-AS, these are considered to be debt instruments comprising of liability and equity components which have been identified using appropriate interest rate.

65.6 Interest bearing loans and borrowings:

Under previous GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

65.7 FVTPL financial assets:

Under previous GAAP, the company accounted for short term investments in mutual funds as investment measured at cost . Under Ind-AS, the company has designated such investments as FVTPL investments. Ind-AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind-AS, there was no difference between the fair value of instruments and carrying amount of previous GAAP. Any difference between the instruments fair value and previous GAAP carrying amount, after the date of transition has been recognised as gain/(loss) in statement of profit and loss.

65.8 Employee benefits :

Both under previous GAAP and Ind-AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [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.

65.9 Capital spares :

Under previous GAAP, the company accounted for capital spares as inventory till consumption when they were capitalised and depreciated over the remaining useful life of the asset. Under Ind AS, capital spares having a useful life of more than one year and meeting the definition of PPE are required to be capitalised. Consequential depreciation is charged from the date of purchase. Accordingly the company has identified such spares and depreciated the same over the respective useful life from the date of purchase.

Notes to the standalone financial statements

65.10 Retained Earnings:

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

65.11 Other Comprehensive Income:

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

65.12 Bank overdrafts:

Under Ind AS, bank overdrafts repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, bank overdrafts were considered as part of borrowings and movements in bank overdrafts were shown as part of financing activities.

65.13 Investment property:

Under previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet.

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

AOC - I

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

Silent features of Financial Statements of Subsidiary / Associates / Joint Venture as per the Companies Act, 2013

A. Subsidiary

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting currency	Reporting period	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	USD	31.03.2017	810.51	1,085.13	1,899.23	3.59	1,293.64	NIL	172.43	(0.15)	172.58	NIL	100
2	Searles Valley Minerals Inc. #	USD	31.03.2017	1,095.55	103.80	2,256.62	1,057.27	2.43	2,585.76	263.70	15.21	248.49	NIL	100
3	Trona Railway Company LLC	USD	31.03.2017	190.86	219.22	438.91	28.83	NIL	4.93	28.45	NIL	28.45	NIL	100
4	Searles Domestic Water Company LLC	USD	31.03.2017	2.41	1.97	4.69	0.31	NIL	3.93	0.30	NIL	0.30	NIL	100
5	Searles Valley Minerals Europe	USD	31.03.2017	4.82	(0.60)	6.69	2.47	NIL	17.19	0.03	0.12	(0.09)	NIL	100
6	Nirchem Cement Ltd.*	INR	31.03.2017	-	-	-	-	-	-	3.25	(1.06)	4.31	NIL	100
7	Nuvoco Vistas Corporation Ltd. (formerly known as Lafarge India Ltd.)*	INR	31.03.2017	150.00	3,798.95	11,285.42	7,336.47	412.24	2,846.95	(22.08)	15.48	(37.56)	NIL	100
8	Rima Eastern Cement Ltd. (formerly known as Lafarge Eastern India Ltd.)**	INR	31.03.2017	0.05	Rs. -22,950	0.05	Rs. 22,950	NIL	NIL	Rs. -11,500	NIL	Rs. -11,500	NIL	100

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

* Nirchem Cement Ltd. wholly owned subsidiary incorporated on August 2, 2016 has been amalgamated with Nuvoco Vistas Corporation Ltd. with an appointed date October 4, 2016 and effective from April 19, 2017.

** Wholly owned subsidiary of Nuvoco Vistas Corporation Ltd.

*** Including additional paid in capital.

1 Exchange rates as of 31.03.2017 in case of foreign subsidiaries are given below:

Currency	USD
Exchange Rate	64.84

2 There is no subsidiary which has been liquidated or sold during the year.

B. Associates

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

(₹ in crore)

SR. No.	Name of Associates	Latest audited Balance Sheet Date*	Shares of Associates held by the company on the year end			Description of how there is significant influence	Reason why the associate is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/ (Loss) for the year	
			No.	Amount of investment in Associates	Extend of Holding %				i. Considered in Consolidation	i. Not Considered in Consolidation
1	FRM Trona Fuels LLC	31.12.2016	-	2.43	49	N.A.	N.A.	2.43	(2.36)	(2.47)

*Unaudited

C. Joint Ventures

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

(₹ in crore)

SR. No.	Name of Joint Ventures	Latest audited Balance Sheet Date*	Shares of Joint Venture held by the company on the year end			Description of how there is significant influence	Reason why the 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 Joint Ventures#	Extend of Holding %				i. Considered in Consolidation	i. Not Considered in Consolidation
1	Wardha Vaalley India Pvt. Ltd.*	31.03.2017	861,300	0.86	19.14	N.A.	N.A.	NIL	NIL	(0.07)

* Joint venture of Nuvoco Vistas Corporation Ltd.
\# Provision for dimunition in value of investment is made for ₹ 0.86 crore.

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2017

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, 2017, 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. 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, 2017, 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.54 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

(a) 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 ₹ 13,727.97 crore and net assets of ₹ 5,750.30 crore as at 31st March, 2017, total revenues of ₹ 5,468.46 crore and net cash inflows amounting to ₹ 193.79 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 ₹ 2.36 crore for the year ended 31st March, 2017, 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.

(b) The comparative financial information of the Group and its associate for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies(Accounting Standards) Rules, 2006 audited by us and our report for the year ended 31st March,2016 and 31st March 2015 dated 17th May 2016 and 13th June 2015 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in accounting principles adopted by the Group and its associate on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

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.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory 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 2017 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its 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.44 to the consolidated Ind AS financial statements.

    ii. The Group, its associate and joint venture has made provision as at 31st March, 2017 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 2017.

    iv. The Holding company, its subsidiary companies and joint venture incorporated in India have provided requisite disclosures in the financial statements as to holding as well as dealing in Specified Bank Notes during period from 8th November, 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by those entities incorporated in India, for the purpose of preparation of consolidated Ind AS financial statements and as produces to us and other auditors by the Management. Refer Note No.58

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No. 122439W

Place : Ahmedabad
Date : May 25, 2017

H. C. Shah
Proprietor
Membership No. 36441

Annexure - A To 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 2017, 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 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 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the 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 Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No. 122439W

Place : Ahmedabad
Date : May 25, 2017

H. C. Shah
Proprietor
Membership No. 36441

BALANCE SHEET AS AT 31ST MARCH, 2017

₹ in crore

		Note No	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	**10,151.05**	3,669.21	3,558.86
	(b) Capital work-in-progress	2	**335.02**	678.55	359.99
	(c) Investment Property	3	**11.73**	10.30	10.30
	(d) Goodwill	4	**6,527.10**	183.41	173.03
	(e) Other Intangible assets	5	**1,403.59**	20.32	19.04
	(f) Intangible assets under development	5	**15.16**	Nil	Nil
	(g) Investment in associate & joint venture	6	**2.43**	3.04	3.10
	(h) Financial assets				
	(i) Investments	7	**64.17**	68.43	55.57
	(ii) Loans	8	**2.19**	2.68	3.05
	(iii) Other financial assets	9	**131.94**	3.10	19.94
	(i) Other non current assets	10	**461.67**	138.55	32.24
	Total non current assets		**19,106.05**	4,777.59	4,235.12
2	**Current Assets**				
	(a) Inventories	11	**1,835.70**	1,211.62	1,229.69
	(b) Financial assets				
	(i) Investments	12	**412.19**	140.00	105.00
	(ii) Trade receivables	13	**1,260.03**	871.58	722.60
	(iii) Cash and cash equivalents	14	**733.63**	457.82	204.83
	(iv) Bank balances other than (iii) above	15	**25.60**	19.53	4.65
	(v) Loans	16	**77.21**	48.39	211.92
	(vi) Other financial assets	17	**111.61**	12.06	5.35
	(c) Current tax assets (Net)	18	**7.50**	Nil	95.87
	(d) Other current assets	19	**484.49**	141.05	177.25
	Total current assets		**4,947.96**	2,902.05	2,757.16
	TOTAL ASSETS		**24,054.01**	7,679.64	6,992.28
II	**EQUITY AND LIABILITIES**				
	EQUITY				
	(a) Equity share capital	20	**73.04**	73.04	77.87
	(b) Other equity	21	**9,342.10**	4,780.33	4,184.12
	Total equity		**9,415.14**	4,853.37	4,261.99
	LIABILITIES				
1	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	22	**8,599.17**	722.56	945.55
	(ii) Other financial liabilities	23	**139.23**	126.17	116.22
	(b) Provisions	24	**180.14**	104.14	113.83
	(c) Deferred tax liabilities (Net)	25	**1,561.13**	271.88	182.27
	(d) Other non-current liabilities	26	**13.31**	15.71	11.48
	Total non current liabilities		**10,492.98**	1,240.46	1,369.35
2	**Current Liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	27	**1,041.40**	409.58	572.00
	(ii) Trade payables	28	**1,267.97**	550.91	408.59
	(iii) Other financial liabilities	29	**758.23**	235.86	226.55
	(b) Other current liabilities	30	**463.41**	178.26	121.49
	(c) Provisions	31	**321.90**	41.29	21.71
	(d) Current tax liabilities (Net)	32	**292.98**	169.91	10.60
	Total current liabilities		**4,145.89**	1,585.81	1,360.94
	Total liabilities		**14,638.87**	2,826.27	2,730.29
	TOTAL EQUITY AND LIABILITIES		**24,054.01**	7,679.64	6,992.28
	Significant Accounting Policies				
	The accompanying Notes 2 to 68 are an integral part of the Consolidated Financial Statements.				

As per our report of even date
For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

Place : Ahmedabad
Date : May 25, 2017

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

₹ in crore

	Particulars		Note No	2016-2017	2015-2016
I	Revenue from operations		33	**10,801.63**	7,674.15
II	Other income		34	**179.69**	98.52
III	**Total Income (I+II)**			**10,981.32**	7,772.67
IV	**Expenses**				
	(a)	Cost of materials consumed	35	**2,307.28**	1,584.17
	(b)	Purchases of stock in trade		**53.34**	16.40
	(c)	Changes in inventories of finished goods, stock in trade and work-in-progress	36	**15.24**	100.90
	(d)	Excise duty		**922.76**	587.63
	(e)	Employee benefits expenses	37	**903.95**	730.59
	(f)	Finance costs	38	**522.67**	77.41
	(g)	Depreciation and amortisation expenses	39	**529.55**	364.05
	(h)	Other expenses	40	**4,744.35**	3,215.07
	Total Expenses (IV)			**9,999.14**	6,676.22
V	**Profit before exceptional items and tax (III-IV)**			**982.18**	1,096.45
VI	Exceptional items			**110.86**	Nil
VII	**Profit before share in net profit (Loss) of associate (V-VI)**			**871.32**	1,096.45
	Add : Share in net profit / (Loss) of associate			**(2.36)**	(1.75)
VIII	**Profit before tax**			**868.96**	1,094.70
IX	**Tax expense**		41		
	(a)	Current tax		**176.67**	221.17
	(d)	Tax expenses relating to earlier year		**(46.75)**	(5.33)
	(c)	MAT credit utilised/(entitlement)		**(139.30)**	20.00
	(d)	MAT credit entitlement relating to earlier year		**(46.76)**	(14.91)
	(e)	Deferred tax		**286.40**	79.04
	Total Tax Expense :			**230.26**	299.97
X	**Profit for the year from continuing operations (VIII-IX)**			**638.70**	794.73
XI	**Other comprehensive income**		42		
	(a)	Items that will not be reclassified to profit or loss		**7.93**	13.15
	(b)	Income tax relating to Items that will not be reclassified to profit or loss		**1.13**	(0.12)
	(c)	Items that will be reclassified to profit or loss		**(37.68)**	65.42
	(d)	Income tax relating to Items that will be reclassified to profit or loss		**(0.01)**	Nil
	Total Other comprehensive income			**(28.63)**	78.45
XII	**Total comprehensive income for the year (X+XI)**			**610.07**	873.18
	Profit attributable to :				
	Owners			**638.70**	794.73
	Non-controlling interests			**Nil**	Nil
	Other comprehensive income attributable to :				
	Owners			**(28.63)**	78.45
	Non-controlling interests			**Nil**	Nil
	Total comprehensive income attributable to :				
	Owners			**610.07**	873.18
	Non-controlling interests			**Nil**	Nil
XIII	**Earnings per equity share**				
	(i)	Basic (in ₹)	53	**43.72**	51.31
	(ii)	Diluted (in ₹)		**43.72**	51.31

Significant Accounting Policies
The accompanying Notes 2 to 68 are an integral part of the Consolidated Financial Statements.

As per our report of even date
For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2017

A. Equity share capital

Equity shares of ₹ 5 each

₹ in crore

Particulars	As at 1st April, 2015	Changes in equity share capital during 2015-2016	As at 31st March, 2016	**Changes in equity share capital during 2016-2017**	**As at 31st March, 2017**
	77.87	4.83	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 as at April 1, 2015	328.17	29.81	27.52	40.11	Nil	2,156.75	1.17	1,300.42	26.42	Nil	32.76	Nil	240.99	4,184.12
Retained earning during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	794.73	Nil	Nil	Nil	Nil	Nil	794.73
Other comprehensive income during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	13.03	Nil	65.42	78.45
Transfer to Other comprehensive income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(0.65)	Nil	Nil	Nil	Nil	Nil	(0.65)
Transfer from Retained earnings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.65	Nil	Nil	Nil	0.65
Total comprehensive income for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	794.08	Nil	0.65	13.03	Nil	65.42	873.18
Premium paid on buy-back of Equity shares	Nil	Nil	Nil	Nil	Nil	(225.05)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(225.05)
Dividend Distribution Tax on buy-back	Nil	Nil	Nil	Nil	Nil	(51.92)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(51.92)
Transfer from Debenture Redemption Reserve to General Reserve on redemption of debentures	Nil	Nil	Nil	(13.83)	Nil	13.83	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Transfer to General Reserve from Statutory Reserve	Nil	Nil	Nil	Nil	Nil	26.42	Nil	Nil	(26.42)	Nil	Nil	Nil	Nil	Nil
Creation of Debenture Redemption Reserve from Retained Earnings	Nil	Nil	Nil	14.25	Nil	Nil	Nil	(14.25)	Nil	Nil	Nil	Nil	Nil	Nil
Transfer from General Reserve to Capital Redemption reserve on buyback of equity shares	Nil	Nil	4.83	Nil	Nil	(4.83)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance as at March 31, 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

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 as 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 for 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**

The accompanying Notes 1 to 68 are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

₹ in crore

			2016-2017	2015-2016
A)	**Cash flow from operating activities :**			
	Profit before tax		**868.96**	1,094.70
	Adjustments for :			
	Exceptional Items		**102.13**	Nil
	Depreciation and amortisation		**529.55**	364.05
	Interest Income		**(68.84)**	(46.20)
	Finance Cost - net of capitalization		**522.67**	77.41
	Exchange fluctuation Gain / Loss (Net)		**0.87**	66.87
	Profit on sale of Property, Plant and equipment		**(0.22)**	(0.07)
	Dividend on non current investments		**(0.55)**	(1.63)
	Excess provision of earlier year written back		**(22.59)**	Nil
	Non cash Provision		**13.20**	1.05
	Fair value of current investment through profit and loss		**(1.09)**	(2.08)
	Provision for doubtful advances		**4.58**	Nil
	Bad debts written off		**52.48**	1.00
	Share of Loss in associate		**2.36**	1.75
	Assets written off		**3.57**	Nil
	Net gain on sale of current investment		**(60.31)**	(9.25)
			1,077.81	452.90
	Operating profit before working capital changes		**1,946.77**	1,547.60
	Adjustments for :			
	(Increase)/ Decrease in trade and other receivables	(230.57)		(118.48)
	(Increase)/ Decrease in Inventories	(192.71)		(13.06)
	Decrease in trade/ other payables, provisions and other liability	397.45		197.92
			(25.83)	66.38
	Cash generated from operations		**1,920.94**	1,613.98
	Refund / Payment of direct taxes (Net)		**(9.85)**	41.62
	Net cash generated from operating activities		**1,911.09**	1,655.60
B	**Cash flow from investing activities :**			
	Consideration paid for Acquisition of Subsidiary (Refer note no. 3 below)	(8,140.70)		Nil
	Purchase of Property, Plant and equipment	(1,296.08)		(745.51)
	Sale of Property, Plant and equipment	0.73		3.18
	Purchase of current Investments	(13,338.59)		(1,532.50)
	Sale of current Investments	13,284.39		1,508.82
	Sale of non current Investments	20.00		(0.39)
	Investment in Associates	(1.75)		Nil
	Interest received	54.57		27.25
	Dividend on Non Current Investments	0.55		1.63
			(9,416.88)	(737.52)
	Net cash used in investing activities		**(7,505.79)**	918.08

₹ in crore

			2016-2017	2015-2016
C	**Cash flow from financing activities :**			
	Change in loans and advances	(14.93)		60.70
	Proceeds from Short Term borrowings (Net)	380.76		(153.36)
	Proceeds from Long Term borrowings	8,048.94		Nil
	Repayment of Long Term borrowings	(110.00)		(135.61)
	Interest paid	(513.08)		(198.10)
	Payment on buy-back of shares	Nil		(229.88)
	Payment on account of redemption of preference shares	(10.00)		Nil
	Unclaimed Dividend paid	(0.09)		Nil
	Net cash used in financing activities		**7,781.60**	(656.25)
	Net increase in cash and cash equivalents		**275.81**	261.83
	Net increase/(Decrease) in cash and cash equivalents		**275.81**	261.83
	Cash and cash equivalents at the beginning of the year (Refer note no 14)		**457.82**	195.99
	Cash and cash equivalents at end of the year (Refer note no. 14)		**733.63**	457.82

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.	
(3)	Total consideration paid for subsidiary.	**8,207.50**
	Less: cash and cash equivalent acquired on acquisition of Subsidiary.	66.80
	Net consideration paid.	8,140.70
(4)	Refer note no. 60 for Acquisition of subsidiary.	

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

Notes to Consolidated financial statements for the year ended 31st March, 2017

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, 2017. 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. The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the group under Ind AS. The date of transition to Ind AS is 1 April, 2015. Refer note 67 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the group's financial position, financial performance and cash flows.

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 50)
2. Financial instruments measured at fair value through other comprehensive income (refer note 50)
3. Defined benefit plans – plan assets measured at fair value (refer note 48)

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 consolidated financial statements up to year ended 31st March, 2016 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended), notified under section 133 of the Act and other relevant provisions of the Act. These consolidated financial statements are the first financial statements of the Group under Ind AS. The date of transition to Ind AS is 1st April, 2015. Refer note 67 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Group's financial position, financial performance and cash flows.

   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, 2017
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%

Notes to Consolidated financial statements for the year ended 31st March, 2017

Name of the Company	Country	Percentage Holding March 31, 2017
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, 2017 except FRM Trona Fuels LLC whose financial statements are drawn upto December 31, 2016.

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.

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:

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

2. 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.

Notes to Consolidated financial statements for the year ended 31st March, 2017

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.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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.

Notes to Consolidated financial statements for the year ended 31st March, 2017

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 derecognised.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

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.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

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 41 - Current tax

Note 48 - Measurement of defined benefit obligations

Note 51 - Expected credit loss for receivables

Note 50 - 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 and have not been adopted early by the group

Ind AS 7, ‘Statement of Cash Flows’

The Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 (the ‘Amendment rules’) on 17 March 2017, notifying amendment to Ind AS 7, ‘Statement of Cash Flows’.

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

These amendments shall come into force on the 1st day of April, 2017 and group shall apply the amendments in its financial statements for annual periods beginning on or after 1 April 2017.

During initial application of the amendment in Ind AS 7, group will have to give reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Note - 2 A : PROPERTY, PLANT AND EQUIPMENT

₹ 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

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2015	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 01.04.2015	Charge for the Year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
1. Freehold land	152.20	0.36	Nil	Nil	Nil	152.56	Nil	Nil	Nil	Nil	Nil	Nil	152.56	152.20
2. Freehold mining Land	1.46	0.37	Nil	Nil	Nil	1.83	Nil	0.08	Nil	Nil	Nil	0.08	1.75	1.46
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	Nil	Nil	Nil	0.55	Nil	Nil	Nil	Nil	Nil	Nil	0.55	0.55
5. Buildings	278.47	49.02	Nil	3.00	6.90	331.39	Nil	54.51	Nil	Nil	3.76	58.27	273.12	278.47
6. Plant & equipments	2,848.92	365.83	Nil	Nil	40.41	3,255.16	Nil	282.23	Nil	Nil	9.54	291.77	2,963.39	2,848.92
7. Furniture and fixtures	7.29	1.71	Nil	Nil	Nil	9.00	Nil	1.40	Nil	Nil	Nil	1.40	7.60	7.29
8. Vehicles	49.11	7.97	Nil	0.11	2.19	59.16	Nil	11.30	Nil	Nil	1.00	12.30	46.86	49.11
9. Office equipments	2.05	2.17	Nil	Nil	Nil	4.22	Nil	1.31	Nil	Nil	Nil	1.31	2.91	2.05
10. Helicopter	14.60	Nil	Nil	Nil	Nil	14.60	Nil	9.46	Nil	Nil	Nil	9.46	5.14	14.60
11. Mineral Reserves	204.08	Nil	Nil	Nil	12.24	216.32	Nil	1.11	Nil	Nil	0.01	1.12	215.20	204.08
TOTAL	3,558.86	427.43	Nil	3.11	61.74	4,044.92	Nil	361.40	Nil	Nil	14.31	375.71	3,669.21	3,558.86

Note - 2 B : Property, Plant and Equipments - Gross amount as at 1st April 2015

₹ in crore

Particulars	Gross Block	Accumulated Depreciation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Freehold Land	152.20	Nil	152.20
Freehold mining Land	1.52	0.06	1.46
Leasehold land (permanent)	0.28	0.15	0.13
Leasehold Land	0.56	0.01	0.55
Buildings	501.69	223.22	278.47
Plant and machinery	5,354.36	2,505.44	2,848.92
Furniture and fixtures	25.92	18.63	7.29
Vehicles	99.98	50.87	49.11
Office equipments	9.30	7.25	2.05
Helicopter	47.24	32.64	14.60
Mineral Reserves	211.76	7.68	204.08
Total	6,404.81	2,845.95	3,558.86

Note - 2 C : CAPITAL WORK-IN-PROGRESS

₹ 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	**1,396.96**	**108.75**	**1,754.43**	**(1.18)**	**93.63**	**335.02**

Particulars	As at 01.04.2015	Additions during the year	Acquisition of subsidiary	Transfer during the year	Translation Adjustments	written off during the year	As at 31.03.2016
Capital work-in-progress	359.99	678.17	Nil	360.82	1.21	Nil	678.55

Notes :

I. Building includes (₹ 1000) (₹ 1000 as at March 31, 2016, ₹1000 as at April 01, 2015) 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 ₹ 81.56 crore (₹ 34.32 crore as at March 31, 2016, ₹ 74.94 crore as at April 01, 2015).

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. Refer note 2B for the gross block value and the accumulated depreciation on April 1, 2015 under IGAAP.

IV. Previously under Indian GAAP, fixed assets (other than investments) were stated at cost, net of modvat, less accumulated depreciation and accumulated impairment losses.The group has elected to regard IGAAP carrying values as deemed cost at the transition date owing to exemption given in Para D7AA of Ind AS 101 : First time adoption of Indian accounting standards.

V. Land of ₹ 98.54 (₹ 98.54 crore as at March 31, 2016, ₹ 98.54 crore as at April 01,2015) acquired on amalgamation is yet to be transferred in the name of the parent company. The same is since transferred.

VI. Refer note no.43 for information on property plant, and equipment pledge as security by the group.

VII. Refer note no.44 for disclosure of contractual commitments for the acquisition of property plant, and equipment.

VIII. Refer note no.46 for capitalisation of expenses.

IX. Refer note no.55 & 56 for assets written off.

X. Refer Note no.60 for acquisition of subsidiary

XI. Freehold land includes ₹. 0.59 Crore being used by third party.

NOTE - 3 : INVESTMENT PROPERTY

₹ in crore

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2016	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

Particulars	GROSS BLOCK (At carrying amount)						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.2015	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 01.04.2015	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land	10.30	Nil	Nil	Nil	Nil	10.30	Nil	Nil	Nil	Nil	Nil	Nil	10.30	10.30
Total	10.30	Nil	Nil	Nil	Nil	10.30	Nil	Nil	Nil	Nil	Nil	Nil	10.30	10.30

Investment property - Gross amount as at 1st April 2015

₹ in crore

Particulars	Gross Block	Accumulated Depreciation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Land	10.30	Nil	10.30
Total	10.30	Nil	10.30

Notes :

I. Fair value of investment properties are ₹ 51.93 crore (₹ 50.34 crore as at March 31,2016, ₹ 45.16 crore as at April 01, 2015).

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. The group has availed the deemed cost exemption in relation to the Investment property on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

IV. Refer Note no.60 for acquisition of subsidiary

NOTE - 4 : GOODWILL

₹ 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

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2015	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 01.04.2015	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Goodwill	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Goodwill on Consolidation	173.03	Nil	Nil	Nil	10.38	183.41	Nil	Nil	Nil	Nil	Nil	Nil	183.41	173.03
TOTAL	173.03	Nil	Nil	Nil	10.38	183.41	Nil	Nil	Nil	Nil	Nil	Nil	183.41	173.03

Intangible Assets - Gross amount as at 1st April 2015

₹ in crore

PARTICULARS	Gross Block	Accumulated Amortisation/Adjustment	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Goodwill	1.57	1.57	Nil
Goodwill on amalgamation	92.14	92.14	Nil
Goodwill on consolidation (Refer Note III below)	533.93	360.90	173.03

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. 60 for acquisition of subsidiary.

III. Gross Block of Goodwill on consolidation as on April 1,2015 was ₹ 746.70 crore and accumulated amortisation as on April 1,2015 was ₹ 360.90 crore resulting into net block of ₹ 385.80 crore as on April 1,2015. As per provisions of Ind AS 101 customer relationships of ₹ 6.19, trademarks of ₹ 2.50 and Mineral Reserves of ₹ 204.08 were recognised as separate assets and the balance amount of ₹ 173.03 crore is carried forward as goodwill.

IV. 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 01.04.2016	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

₹ in crore

PARTICULARS	GROSS BLOCK (At carrying amount)						ACCUMULATED AMORTISATION						NET BLOCK	
	As at 01.04.2015	Additions during the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 01.04.2015	Charge for the year	Acquisition of subsidiary	Disposal during the year	Translation Adjustments	As at 31.03.2016	As at 31.03.2016	As at 01.04.2015
1. Trademarks	2.50	Nil	Nil	Nil	0.15	2.65	Nil	Nil	Nil	Nil	Nil	Nil	2.65	2.50
2. Computer software	1.11	Nil	Nil	Nil	0.09	1.20	Nil	0.16	Nil	Nil	0.02	0.18	1.02	1.11
3. Mining rights	9.23	3.37	Nil	Nil	Nil	12.60	Nil	0.13	Nil	Nil	Nil	0.13	12.47	9.23
4. Lease and license rights	0.01	Nil	Nil	Nil	Nil	0.01	Nil	(₹ 2,682)	Nil	Nil	Nil	(₹ 2,682)	0.01	0.01
5. Customer Relationship	6.19	Nil	Nil	Nil	1.35	7.54	Nil	2.36	Nil	Nil	1.01	3.37	4.17	6.19
TOTAL	19.04	3.37	Nil	Nil	1.59	24.00	Nil	2.65	Nil	Nil	1.03	3.68	20.32	19.04

Other Intangible assets - Gross amount as at 1st April 2015

₹ in crore

PARTICULARS	Gross Block	Accumulated Amortisation	Net Block
	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
Trademarks	431.67	429.17	2.50
Computer software	8.40	7.29	1.11
Mining rights	9.82	0.59	9.23
Lease and license rights	0.02	0.01	0.01
Licence fee	33.86	33.86	Nil
Customer Relationship	22.50	16.31	6.19
Total	506.27	487.23	19.04

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.60 for acquisition of subsidiary

Note - 5 B : INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ 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	4.67	12.58	2.09	**15.16**

Notes :

I. It represents the amount spent for Chilhati mines at Arasmeta plant of Indian Subsidiary.

II. Refer Note no.60 for acquisition of subsidiary.

Note - 6 : NON-CURRENT FINANCIAL ASSETS : INVESTMENTS IN ASSOCIATE & JOINT VENTURE

₹ in crore

Numbers			Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
(A) Investment in associate at cost						
31.03.2017	31.03.2016	1.04.2015	**Investment in equity instruments - Unquoted - fully paid**			
49% Share	49% Share	49% Share	Investment in FRM Trona Fuels LLC (Refer note no. 65)	**2.43**	3.04	3.10
			Total - A	**2.43**	3.04	3.10
(B) Investment in joint venture at cost						
Investment in equity instruments - Unquoted - fully paid						
861,300	Nil	Nil	Wardha Vaalley Coal Field Private Limited face value of ₹ 10 each acquired on acquisition of subsidiary (Refer notes no.II, III below, 60 and 65)	**0.86**	Nil	Nil
			Less : Provision for diminution in value	**0.86**	Nil	Nil
			Total - B	**Nil**	Nil	Nil
			Total (A+B)	**2.43**	3.04	3.10

	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Aggregate amount of quoted investments	**Nil**	Nil	Nil
Aggregate market value of quoted investments	**Nil**	Nil	Nil
Aggregate amount of unquoted investments	**3.29**	3.04	3.10
Aggregate amount of impairment in value of investments	**0.86**	Nil	Nil

Notes :

I. Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note no.50 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. 44)

Note - 7 : NON-CURRENT FINANCIAL ASSETS : INVESTMENTS

₹ in crore

Numbers			Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
(A) Investment in Equity instruments						
Investments in equity shares (fully paid up) accounted through other comprehensive income						
31.03.2017	**31.03.2016**	**1.04.2015**	**Quoted equity instruments**			
Nil	83,500	83,500	Mahanagar Telephone Nigam Ltd. face value of ₹ 10 each	**Nil**	0.15	0.15
Nil	37,000	37,000	Reliance Communication Ltd. face value of ₹ 5 each	**Nil**	0.19	0.22
9,985	9,985	9,985	Reliance Industries Ltd. face value of ₹ 10 each	**1.32**	1.04	0.82
353,053	375,000	375,000	Gujarat Heavy Chemicals Ltd. face value of ₹ 10 each	**9.37**	4.32	2.31
Nil	50	50	Shreyans Industries Ltd. face value of ₹ 10 each	**Nil**	(₹ 1,375)	(₹ 1,637)
429,794	438,190	980,962	Tamilnadu Petro Products Ltd. face value of ₹ 10 each	**1.58**	0.88	1.40
225,800	361,828	361,828	Torrent Pharmaceuticals Ltd. face value of ₹ 5 each	**35.06**	48.49	41.92
			Total - A	**47.33**	55.07	46.82
(B) Un-quoted equity instruments						
Investments in un-quoted equity shares (fully paid up) accounted through other comprehensive income						
57,020	57,020	57,020	The Kalupur Comm. Co. Op. Bank Ltd. face value of ₹ 25 each	**1.88**	1.68	1.54
2,200,000	2,200,000	2,200,000	Gold Plus Glass Industry Ltd. face value of ₹ 10 each	**13.97**	10.85	6.23
100,000	100,000	100,000	Enviro Infrastructure Company Ltd. face value of ₹ 10 each	**0.93**	0.77	0.93
1,000,000	1,000,000	1,000,000	Inlac Granston Ltd. face value of ₹ 10 each	**1.00**	1.00	1.00
			Less : Provision for diminution in value	**1.00**	1.00	1.00
19,25,924	Nil	Nil	VS Lignite Power Private Ld. face value of ₹ 10 each acquired on acquisition of subsidiary (Refer note no.60)	**1.93**	Nil	Nil
			Less : Provision for diminution in value	**1.93**	Nil	Nil
			Total - B	**16.78**	13.30	8.70
(C) Un-quoted debt instruments through Profit & Loss						
4,828,298	Nil	Nil	VS Lignite Power Private Ltd. face value of ₹ 10 each acquired on acquisition of subsidiary (Refer note no.60)	**4.83**	Nil	Nil
			Less : Provision for diminution in value	**4.83**	Nil	Nil
			Total - C	**Nil**	Nil	Nil
(D) Un-quoted government securities at amortised cost						
			National savings certificates lodged with various authorities	**0.06**	0.06	0.05
			Kisan vikas patra lodged with various authorities	**(₹ 41,447)**	(₹ 38,320)	(₹ 35,261)
			(Refer Note No. 43)			
			Total - D	**0.06**	0.06	0.05
			Total (A+B+C+D)	**64.17**	68.43	55.57

	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Aggregate amount of quoted investments	**47.33**	55.07	46.82
Aggregate market value of quoted investments	**47.33**	55.07	46.82
Aggregate amount of unquoted investments	**24.60**	14.36	9.75
Aggregate amount of impairment in value of investments	**7.76**	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. 50 for detailed disclosure on the fair values.

Note - 8 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Unsecured, considered good			
Inter corporate deposit	**2.19**	2.68	3.05
	2.19	2.68	3.05
Doubtful			
Loans to related party (Refer note no.II below)	**1.07**	Nil	Nil
Less: Provision for doubtful loans	**1.07**	Nil	Nil
	Nil	Nil	Nil
Total	**2.19**	2.68	3.05

Notes:

I. Refer note no.51 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.

Note - 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Security deposits	**1.73**	1.61	4.77
Bank deposit with original maturity more than 12 months	**1.40**	1.49	15.17
	3.13	3.10	19.94
Unsecured, considered good			
Deposits with Govt. authorities and Others	**128.81**	Nil	Nil
	128.81	Nil	Nil
Doubtful			
Deposits with Govt. authorities and Others	**2.36**	Nil	Nil
Less: Provision for doubtful deposits	**2.36**	Nil	Nil
	Nil	Nil	Nil
Total	**131.94**	3.10	19.94
Notes : I. Earmarked balances with various Statutory Authorities	**1.40**	1.49	15.17
II. Refer Note No.51 for credit risk, liquidity risk and market risk for non current financial assets-others.			

Note - 10 : OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Unsecured, considered good			
Capital advances	**83.94**	138.54	32.15
Balance with statutory authorities	**0.81**	Nil	Nil
Advances recoverable	**0.33**	Nil	Nil
Industrial promotional assistance	**228.78**	Nil	Nil
Advance income tax (net)	**146.53**	Nil	Nil
Prepaid expenses	**1.28**	0.01	0.09
Total	**461.67**	138.55	32.24
Doubtful			
Capital advances	**1.26**	Nil	Nil
Less: Provision for doubtful advances	**1.26**	Nil	Nil
Total	**Nil**	Nil	Nil
Total	**461.67**	138.55	32.24

Note - 11 : INVENTORIES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Raw materials & Packaging materials (includes stock with third party)	**311.50**	194.13	187.54
Raw materials & Packaging materials in transit	**142.32**	37.87	16.33
Total - A	**453.82**	232.00	203.87
Work-in-progress	**211.90**	63.24	90.71
Work-in-progress in transit	**8.55**	Nil	Nil
Total - B	**220.45**	63.24	90.71
Finished goods	**414.50**	409.73	487.89
Finished goods in transit	**47.60**	54.26	52.62
Total - C	**462.10**	463.99	540.51
Stock-in-trade (Traded Goods)	**12.10**	3.09	Nil
Stores and spares (includes stock with third party)	**499.37**	358.26	300.85
Stores and spares in transit	**2.33**	29.46	0.22
Total - D	**501.70**	387.72	301.07
Fuels	**135.05**	48.82	61.83
Fuels in transit	**50.48**	12.76	31.70
Total - E	**185.53**	61.58	93.53
Total (A+B+C+D+E)	**1,835.70**	1,211.62	1,229.69

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, 2017 ₹ 21.47 crore (March 31, 2016 ₹ 16.58 crore, April 01, 2015 ₹ 34.20 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. 43 for information on Inventory pledged as security by the group.

Note - 12 : CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in crore

Units			Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Investment in mutual fund at fair value through profit and loss						
31.03.2017	31.03.2016	1.04.2015	**Unquoted mutual funds**			
1,779	817	293,302	Reliance Liquid Fund face value of ₹ 1000 each	**0.70**	0.30	100.00
Nil	Nil	25,990	Religare Invesco Liquid Fund face value of ₹ 1000 each	**Nil**	Nil	5.00
Nil	1,169,866	Nil	ICICI Prudential Liquid Fund face value of ₹ 100 each	**Nil**	26.24	Nil
Nil	25,000,000	Nil	Reliance Fixed Horizon Fund face value of ₹ 10 each	**Nil**	25.23	Nil
Nil	16,121,388	Nil	Reliance Medium Term Fund face value of ₹ 10 each	**Nil**	51.16	Nil
Nil	80,957	Nil	Reliance Money Manager Fund face value of ₹ 1000 each	**Nil**	16.70	Nil
Nil	9,937,394	Nil	Reliance Monthly Interval Fund face value of ₹ 10 each	**Nil**	20.37	Nil
2,167	Nil	Nil	SBI Premier Liquid fund face value of ₹ 1000 each	**0.55**	Nil	Nil
3,783,533	Nil	Nil	ICICI Pru Institutional Liquid Plan - SI Growth face value of ₹ 100 each	**90.86**	Nil	Nil
190,682	Nil	Nil	HDFC Liquid Fund - Growth face value of ₹ 1000 each	**61.01**	Nil	Nil
230,761	Nil	Nil	Tata Liquid Fund - Regular Plan - Growth face value of ₹ 1000 each	**68.99**	Nil	Nil
1,542,456	Nil	Nil	Birla Cash Plus- IP - Growth face value of ₹ 100 each	**40.18**	Nil	Nil
154,759	Nil	Nil	SBI Premiur Liquid Fund - Super Institutional - Growth face value of ₹ 1000 each	**39.40**	Nil	Nil
176,894	Nil	Nil	DSP Blackrock Liquidity Fund- IP-Daily Growth face value of ₹ 1000 each	**41.01**	Nil	Nil
382,461	Nil	Nil	UTI Money Market - IP - Growth face value of ₹ 1000 each	**69.49**	Nil	Nil
			Total of Unquoted mutual funds	**412.19**	140.00	105.00

Aggregate amount of unquoted investments	**412.19**	140.00	105.00
Aggregate amount of impairment in value of investments	**Nil**	Nil	Nil

Note:

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 13 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured, considered good	**134.90**	Nil	Nil
Unsecured, considered good	**1,103.22**	842.89	720.70
Unsecured, considered good from related parties (Refer note no.49)	**21.91**	28.69	1.90
Unsecured, considered doubtful	**58.05**	1.71	1.71
	1,183.18	873.29	724.31
Less: Provision for doubtful	**58.05**	1.71	1.71
Total	**1,260.03**	871.58	722.60

Note :
I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 14 : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Cash and cash equivalents			
Balance with banks - In current accounts	**625.67**	454.51	191.10
- In deposits with original maturity of less than three months (Refer Note II below)	**21.61**	Nil	Nil
Cheques, drafts on hand	**85.61**	0.73	12.65
Cash on hand	**0.74**	2.58	1.08
Total	**733.63**	457.82	204.83

Notes :
I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.
II. Short term deposits are made for varying periods depending on the immediate cash requirements of the group and earns interest at respective short term deposits rates.

Note - 15 : CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Other bank balances			
(a) In deposit accounts (with original maturity more than 3 months but less than 12 months)	**19.54**	18.55	3.58
(b) Unclaimed dividend account	**0.07**	0.16	0.24
(c) Secured premium notes money received and due for refund	**0.14**	0.14	0.14
(d) Equity share capital reduction balance	**0.35**	0.36	0.37
(e) Preference share capital redemption balance	**0.32**	0.32	0.32
(f) Collateral for disputed indirect tax cases	**5.18**	Nil	Nil
Total	**25.60**	19.53	4.65

Notes :

I. Earmarked balances with Banks	**0.40**	0.40	0.41
II. Earmarked balances with various Statutory Authorities	**24.24**	18.05	2.99
III. Earmarked balances with various Tender Authorities	**0.08**	0.10	0.18
IV. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.			

Note - 16 : CURRENT FINANCIAL ASSETS - LOANS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured, Considered good			
Inter corporate deposit (Refer Note I below)	**17.83**	16.14	25.64
Loans & advances to others (Refer Note II below)	**Nil**	Nil	125.00
Unsecured, Considered good			
Loans and advances to employees	**4.78**	3.34	2.64
Loans & advances to others	**47.64**	20.87	51.03
Loans and advances to related parties (Refer note no.49)	**Nil**	Nil	0.02
Unsecured, Considered doubtful			
Loans & advances to others	**0.17**	Nil	Nil
Less : Provision for doubtful loans and advances	**0.17**	Nil	Nil
	Nil	Nil	Nil
Unsecured, Considered good			
Inter corporate deposit to others	**6.96**	8.04	7.59
Unsecured, Considered doubtful			
Inter corporate deposit to others	**1.71**	Nil	Nil
Less : Provision for doubtful inter corporate deposit	**1.71**	Nil	Nil
	Nil	Nil	Nil
Total	**77.21**	48.39	211.92

Notes :

I. Market value of security received for Inter corporate deposits as at March 31, 2017, March 31, 2016 and April 01, 2015 is ₹ 23.97 crore each.

II. Market value of security received for loan as at April 01, 2015 was ₹ 262.48 crore.

III. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 17 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Unsecured, Considered good			
Security deposits	**6.44**	9.91	3.24
Income receivable	**1.32**	1.73	2.11
Interest accrued on fixed deposits	**0.83**	Nil	Nil
Deposits with Govt. authorities and others	**99.48**	Nil	Nil
Other receivable	**2.34**	Nil	Nil
Other receivable from related parties (Refer note no.49)	**1.20**	0.42	Nil
Doubtful			
Deposits with govt. authorities and others	**4.47**	Nil	Nil
Less : Provision for doubtful advances	**4.47**	Nil	Nil
Total	**111.61**	12.06	5.35

Note :

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial assets.

Note - 18 : CURRENT TAX ASSETS (NET)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advance income tax (net)	7.50	Nil	95.87
Total	7.50	Nil	95.87

Note - 19 : OTHER CURRENT ASSETS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advances to suppliers - related parties (Refer note no.49)	3.89	Nil	0.93
Advances to suppliers	97.95	58.87	56.90
Balance with statutory authorities	163.77	69.88	106.59
Advances recoverable	62.78	Nil	Nil
Fiscal incentive receivable	120.36	Nil	Nil
Other receivables	5.66	Nil	Nil
Prepaid expenses	30.08	12.30	12.83
Total	484.49	141.05	177.25

Note - 20 : Equity share capital

₹ in crore

Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
	Number of shares	₹	Number of shares	₹	Number of shares	₹
AUTHORISED						
Equity shares of ₹ 5 each	1,461,000,000	730.50	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	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	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	100,000,000	10.00
		775.50		775.50		775.50
ISSUED AND SUBSCRIBED						
Equity shares of ₹ 5 each [Refer note no.(II) & (III) below]	146,075,130	73.04	146,075,130	73.04	151,702,578	75.85
FULLY PAID UP						
Equity shares of ₹ 5 each [Refer note no.(II) & (III) below]	146,075,130	73.04	146,075,130	73.04	151,702,578	75.85
		73.04		73.04		75.85
SHARE CAPITAL SUSPENSE						
Equity shares of ₹ 5 each to be issued	Nil	Nil	Nil	Nil	24,058,730	12.03
Equity shares of ₹ 5 each to be cancelled	Nil	Nil	Nil	Nil	(20,027,449)	(10.01)
Total	146,075,130	73.04	146,075,130.00	73.04	155,733,859	77.87

Notes:

I. The Hon'ble High Court of Gujarat has vide its order dated 20th April 2015, sanctioned the Composite Scheme of Arrangement in nature of Amalgamation (""Scheme"") of, i) Leh Holdings Pvt. Ltd, ii) Kargil Holdings Pvt. Ltd. iii) Kulgam Holdings Pvt. Ltd. iv) Uri Holdings Pvt. Ltd. and v) Banihal Holdings Pvt. Ltd. vi) Kanak Castor Products Pvt. Ltd (Associate Companies) and Siddhi Vinayak Cement Pvt. Ltd

(Wholly Owned Subsidiary Company) [collectively referred to as transferor Companies] into the Nirma Ltd with an appointed date of 1st April 2014 and also demerger and transfer of Healthcare Division of the Company to Aculife Healthcare Pvt. Ltd with an appointed date of 1st October 2014. The Scheme has become effective from 10th June 2015.

In pursuance of the Scheme, the authorised equity share capital of the above seven transferor Companies total amounting to ₹ 615 crore has been added to the authorised equity share capital of the group and allocated to the existing equity capital at par value of ₹ 5 per share.

II. In accordance with the scheme, during previous year,

(a) the Parent Company has issued and allotted 24,058,730 new equity shares of ₹ 5/- each fully paid up to the equity shareholders of associate transferor companies.

(b) the Parent Company has cancelled and extinguished its 20,027,449 issued, subscribed and paid up equity shares held by transferor companies and accordingly these shares have been cancelled and extinguished.

III. During the previous year, the Parent Company has bought back 9,658,729 equity shares from the shareholders under the buyback offer in accordance with section 68 of the Companies Act, 2013 & rules made thereunder, at a price of ₹ 238/- per share. Accordingly, 9,658,729 equity shares of ₹ 5/- each have been cancelled and extinguished from issued, subscribed and paid up equity share capital of the Parent Company.

Note - 20 : Equity share capital

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

Particulars	**As at 31.03.2017**		As at 31.03.2016		As at 1.04.2015	
	Number of shares	**(₹ in crore)**	Number of shares	(₹ in crore)	Number of shares	(₹ in crore)
Opening Balance (including share capital suspense)			155,733,859	77.87		
Opening Balance (excluding share capital suspense)			151,702,578	75.85	151,702,578	75.85
Opening Balance	**146,075,130**	**73.04**	Nil	Nil	Nil	Nil
To be issued	**Nil**	**Nil**	Nil	Nil	24,058,730	12.03
To be cancelled	**Nil**	**Nil**	Nil	Nil	20,027,449	10.01
Share alloted pursuant to scheme	**Nil**	**Nil**	24,058,730	12.03	Nil	Nil
Share cancelled pursuant to scheme	**Nil**	**Nil**	20,027,449	10.01	Nil	Nil
Share cancelled under buy back	**Nil**	**Nil**	9,658,729	4.83	Nil	Nil
Closing Balance	**146,075,130**	**73.04**	146,075,130	73.04	155,733,859	77.87

V. **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.

VI. **The details of Shareholders of Parent company holding more than 5% of Shares (including Share Capital Suspense)**

Particulars	**As at 31.03.2017**		As at 31.03.2016		As at 1.04.2015	
	No. of shares held *	**% of Total paid up Equity Share Capital**	**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	9,67,78,224	62.14
Smt. Shantaben K. Patel	**2,76,18,401**	**18.90**	2,76,18,401	18.90	3,24,18,401	20.82
Shri Rakesh K. Patel	**3,47,44,224**	**23.79**	3,47,44,224	23.79	1,31,36,424	8.44
Shri Hiren K. Patel	**2,69,47,280**	**18.45**	2,69,47,280	18.45	1,33,42,080	8.57

*Includes equity shares held as trustee of trust and/or as member of AOP

VII. **Shares alloted as fully paid up without payment being received in cash during the period of five year immediately preceding 31.03.2017 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 Financial Year 2015-16.

Note - 21 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Capital Reserve			
Opening balance	**328.17**	328.17	328.17
Add : Acquisition of subsidiary	**37.33**	Nil	Nil
Closing balance	**365.50**	328.17	328.17
Equity Security Premium			
Opening balance	**29.81**	29.81	29.81
Add : Acquisition of subsidiary	**1,326.56**	Nil	Nil
Closing balance	**1,356.37**	29.81	29.81
Capital Redemption Reserve			
Opening balance	**32.35**	27.52	27.52
Add : Acquisition of subsidiary	**23.33**	Nil	Nil
Add : Transferred from retained earnings	**10.00**	Nil	Nil
Add : Transferred from general reserve	**Nil**	4.83	Nil
Closing balance	**65.68**	32.35	27.52
Debenture Redemption Reserve			
Opening balance	**40.53**	40.11	40.11
Add : Transferred from retained earnings	**268.83**	14.25	Nil
Less: Transfer to general reserve	**14.22**	13.83	Nil
Closing balance	**295.14**	40.53	40.11
Amalgamation Reserves			
Opening balance	**Nil**	Nil	Nil
Add : Acquisition of subsidiary	**2.53**	Nil	Nil
Closing balance	**2.53**	Nil	Nil
General reserve			
Opening balance	**1,915.20**	2,156.75	2,156.75
Add : Acquisition of subsidiary	**90.00**	Nil	Nil
Add : Transferred from debenture redemption reserve	**14.22**	13.83	Nil
Add : Transferred from statutory reserve	**Nil**	26.42	Nil
Less: Transfer to capital redemption reserve	**Nil**	4.83	Nil
Less: Dividend distribution tax on equity share bought back	**Nil**	51.92	Nil
Less: Premium paid on buy back of equity share	**Nil**	225.05	Nil
Closing balance	**2,019.42**	1,915.20	2,156.75
Non cash contribution from share holders			
Opening balance	**1.17**	1.17	Nil
Add: Addition during the year	**Nil**	Nil	1.17
Less: Transfer to retained earnings	**1.17**	Nil	Nil
Closing balance	**Nil**	1.17	1.17
Statutory Reserve			
Opening balance	**Nil**	26.42	26.42
Add : Acquisition of subsidiary	**0.01**	Nil	Nil
Less: Transfer to general reserve	**Nil**	26.42	Nil
Closing balance	**0.01**	Nil	26.42

Note - 21 : OTHER EQUITY

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Other Comprehensive Income			
Opening balance	**46.44**	32.76	32.76
Add : Acquisition of subsidiary	**0.06**	Nil	Nil
Add : Equity instruments through other comprehensive Income	**14.17**	13.03	Nil
Add : Transfer from retained earnings	**Nil**	0.65	Nil
Less : Remeasurement of defined benefit plans	**5.11**	Nil	Nil
Closing balance	**55.56**	46.44	32.76
Currency Fluctuation Reserve			
Opening balance	**306.41**	240.99	240.99
Add/(Less) : Addition during the year	**(37.72)**	65.42	Nil
Closing balance	**268.69**	306.41	240.99
Cash Flow Hedge Reserve			
Opening balance	**Nil**	Nil	Nil
Less : Acquisition of subsidiary	**(0.09)**	Nil	Nil
Add : Addition during the year	**0.03**	Nil	Nil
Closing balance	**(0.06)**	Nil	Nil
Retained Earnings			
Opening balance	**2,080.25**	1,300.42	1,300.42
Add : Acquisition of subsidiary	**2,471.97**	Nil	Nil
Add : Retained earnings during the year	**638.70**	794.73	Nil
Add: Transfer from non cash contribution from shareholders	**1.17**	Nil	Nil
Less: Transfer to other comprehensive income	**Nil**	0.65	Nil
Less: Transfer to capital redemption reserve	**10.00**	Nil	Nil
Less: Transfer to debenture redemption reserve	**268.83**	14.25	Nil
Closing balance	**4,913.26**	2,080.25	1,300.42
Total	**9,342.10**	4,780.33	4,184.12

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 - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Secured			
Debentures			
Non-convertible debentures (Refer note no. I below)	**6,025.11**	39.97	239.85
Non-convertible debentures from related party (Refer notes no. I below & 49)	**Nil**	139.94	Nil
	6,025.11	179.91	239.85
Term Loans from Bank			
Term Loans from Bank (Refer note no. II below)	**1,548.49**	198.79	210.36
	1,548.49	198.79	210.36
Term Loan from Other			
Loan from Gujarat Housing Board (Refer note no. III below)	**(₹ 8,083)**	(₹ 8,083)	(₹ 8,083)
Unsecured			
5% Redeemable non-convertible non-cumulative preference shares(Refer note no.IV below)	**Nil**	8.44	8.20
Loan from directors -related parties (Refer notes no. V below & 49)	**478.99**	Nil	Nil
Inter corporate deposit from related parties (Refer notes no. VI below & 49)	**546.58**	335.42	487.14
Total	**8,599.17**	722.56	945.55

Note - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.		Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
			Non Current	**Current**	Non Current	Current	Non Current	Current
I.(A)	(a)	8.66% Secured Listed Non Convertible Debentures Series D of face value of ₹ 10 lacs each is redeemable at par on 14.09.2021. Effective interest rate is 9.58%.	**774.02**	**3.24**	Nil	Nil	Nil	Nil
	(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, investments and intellectual properties of Indian Subsidiary.						
(B)	(a)	7.90% Secured Listed Rated Redeemable Non Convertible Debentures Series III of face value of ₹ 10 lacs each is redeemable at par on 28.02.2020. Effective interest rate is 7.92%.	**999.43**	**6.71**	Nil	Nil	Nil	Nil
	(b)	The creation of charge for Secured Listed Rated - NCD Series-III is under process.						
(C)	(a)	8.57% Secured Listed Non Convertible Debentures Series C of face value of ₹ 10 lacs each is redeemable at par on 14.09.2020. Effective interest rate is 9.45%.	**779.90**	**3.21**	Nil	Nil	Nil	Nil
	(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, investments and intellectual properties of Indian Subsidiary.						
(D)	(a)	8.95% Secured Redeemable Non Convertible Non Cumulative Debentures series E of face value of ₹ 10 lacs each is redeemable at par on 28.05.2019. Effective interest rate is 8.98%.	**59.97**	**4.53**	59.96	4.34	59.94	4.46
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series E is secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(E)	(a)	8.47% Secured Listed Non Convertible Debentures Series B of face value of ₹ 10 lacs each is redeemable at par on 14.09.2019. Effective interest rate is 9.31%.	**1,227.80**	**4.96**	Nil	Nil	Nil	Nil

Note - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.		Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
			Non Current	**Current**	Non Current	Current	Non Current	Current
	(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, investments and intellectual properties of Indian Subsidiary.						
(F)	(a)	8.37% Secured Listed Non Convertible Debentures Series A of face value of ₹ 10 lacs each is redeemable at par on 14.09.2018. Effective interest rate is 9.18%.	**1,138.04**	**4.51**	Nil	Nil	Nil	Nil
	(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, investments and intellectual properties of Indian Subsidiary.						
(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 08.09.2018.Effective interest rate is 8.22%.	**493.27**	**21.74**	Nil	Nil	Nil	Nil
	(b)	The Secured Listed Rated - NCD Series-II is secured by first pari-passu charge by way of hypothecation of whole of the movable plant and machinery of the Parent Company's cement division situated at Village Nimbol,Rajasthan and first pari-passu charge by way of 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.						
(H)	(a)	7.95% Secured Listed Rated Redeemable Non Convertible Debentures Series I of face value of ₹ 10 lacs each is redeemable at par on 06.09.2018. Effective interest rate is 8.31%.	**492.70**	**22.21**	Nil	Nil	Nil	Nil
	(b)	The Secured Listed Rated - NCD Series-I is secured by first pari-passu charge by way of hypothecation of whole of the movable plant and machinery of the Parent Company's cement division situated at Village Nimbol, Rajasthan and first pari-passu charge by way of 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 - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.		Particulars	**As at 31.03.2017**		As at 31.03.2016		As at 1.04.2015	
			Non Current	**Current**	Non Current	Current	Non Current	Current
(I)	(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%.	**59.98**	**4.52**	59.96	4.11	59.96	4.44
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series D is secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company situated at Alindra, District Vadodara, Gujarat both present and future.						
(J)	(a)	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**	**64.50**	59.99	4.05	59.97	4.43
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series C is secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company, situated at Alindra, District Vadodara, Gujarat both present and future.						
(K)	(a)	8.85% Secured Redeemable Non Convertible Non Cumulative Debentures series B of face value of ₹ 10 lacs each is redeemable at par on 28.05.2016. Effective interest rate is 8.88%.	**Nil**	**Nil**	Nil	64.14	59.98	4.48
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debenture series B is secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company, situated at Alindra, District Vadodara, Gujarat both present and future.						
(L)	(a)	8.75% Secured Redeemable Non Convertible Non Cumulative Debentures series A of face value of ₹ 10 lacs each is redeemable at par on 28.05.2015. Effective interest rate is 8.77%.	**Nil**	**Nil**	Nil	Nil	Nil	63.98
	(b)	The Secured Redeemable Non-Convertible Non-Cumulative Debentures series A is secured by first pari-passu charge on building and specified immovable plant and machineries of the Parent Company, situated at Alindra, District Vadodara, Gujarat both present and future.						

Note - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.	Particulars	As at 31.03.2017		As at 31.03.2016		As at 1.04.2015	
		Non Current	**Current**	Non Current	Current	Non Current	Current
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%	**1,418.48**	**56.32**	Nil	Nil	Nil	Nil
	(b) The Term loan from bank are secured by (i) First Pari-pasu 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 situate 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. And 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 - 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Sr. No.	Particulars	**As at 31.03.2017**		As at 31.03.2016		As at 1.04.2015	
		Non Current	**Current**	Non Current	Current	Non Current	Current
(B)	(a) Second revolving credit facility interest paid monthly at 1.25% over 1 month LIBOR, 2.0344% for the current year (1.6885% and 1.4219% at March 31, 2016 and 2015 respectively), due September 10, 2018. The facility allows to borrow the lesser of ₹. 421.46 crores (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, 2017 and 2016 were ₹. 244.67 crore (USD 3.7 crore), ₹. 189.50 crore (USD 2.8 crore) and ₹. 155.61 crore (USD 2.49 crore) respectively. The revolving credit facility waives certain covenants when borrowing available is in excess of ₹. 46.43 crore (USD 0.72 crore).	**130.01**	**Nil**	198.79	Nil	210.36	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	₹ 8,083	Nil
IV.	5% Redeemable Non-cumulative Non-convertible preference shares of ₹ 1/- each fully paid up were redeemed during the year.	**Nil**	**Nil**	8.44	Nil	8.20	Nil
V.	Unsecured loan from directors related parties carry interest @ 8% p.a.(p.y.Nil).repayable after 1 year	**478.99**	**Nil**	Nil	Nil	Nil	Nil
VI.	Unsecured inter corporate deposit from related parties carry interest @ 8% p.a. on ₹ 546.58 crore (March 31, 2016 ₹. 28.70 crore, April 01, 2015 ₹ 26.33 crore), @ 9.5% p.a. on ₹ Nil (March 31, 2016 ₹. Nil, April 01, 2015 ₹ 33.77 crore) and @ 10% p.a. on ₹. Nil (March 31, 2016 ₹.306.72 crore, April 01, 2015 ₹ 427.04 crore).Repayable after 1 year.	**546.58**	**Nil**	335.42	50.00	487.14	49.00
VII.	Refer note no.51 for credit risk, liquidity risk and market risk for non-current financial liabilities.						
VIII.	The carrying amount of financial and non-financial assets pledge as security for secured borrowings are disclosed in note no.43.						
IX.	The group has complied all covenants for loans.						

Note - 23 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Deferred sales tax liability (Refer note no. I below)	**0.02**	0.03	0.03
Liability for employee related expenses	**0.75**	Nil	Nil
Other liabilities	**0.01**	Nil	Nil
Trade Deposits	**138.45**	126.14	116.19
Total	**139.23**	126.17	116.22

Notes :

I. 0% Deferred sales tax loan is repayable in six yearly equal installments of ₹ 0.01 crore starting from 01.04.2015. Out of which ₹ 0.02 crore is non-current financial liability and ₹ 0.01 crore is current financial liability.

II. Refer note no.51 for credit risk, liquidity risk and market risk for non-current financial liabilities.

Note - 24 : NON-CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Provisions			
Provision for employee benefits (Refer note no.48)	**110.23**	82.86	94.83
Decommissioning liability on mine reclamation (Refer note no.64)	**1.71**	1.66	1.48
Provision for death benefit (Refer note no.64)	**3.50**	Nil	Nil
Provision for contractor's charges (Refer note no.64)	**21.34**	Nil	Nil
Provision for environmental cleanup expenses (Refer note no.64)	**17.88**	18.57	17.52
Provision for mines reclamation expenses (Refer note no. 64)	**25.48**	1.05	Nil
Total	**180.14**	104.14	113.83

Note - 25 : DEFERRED TAX LIABILITIES (Net)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Deferred Tax Liabilities			
Property, plant and equipment and investment property	**1,508.11**	721.31	660.91
Intangible assets	**1.93**	2.68	3.33
Financial assets at fair value through OCI	**1.93**	0.35	0.23
Deferred tax liability on acquisition of subsidiary (Refer note no.60)	**1,033.63**	Nil	Nil
Financial assets at fair value through profit or loss	**46.51**	30.59	23.58
	2,592.11	754.93	688.05
Deferred Tax Assets			
MAT credit	**520.22**	166.91	172.00
Reversal of Deferred tax on reversal of Fair valued Assets	**200.17**	200.17	235.09
Others	**310.59**	115.97	98.69
	1,030.98	483.05	505.78
Net deferred tax liabilities	**1,561.13**	271.88	182.27

Note - 25 : 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.60)	Reversal of Deferred tax on reversal of Fair valued Assets	Financial assets at fair value through OCI	Other items	Total
At 1st April, 2015	660.91	3.33	(172.00)	23.58	Nil	(235.09)	0.23	(98.69)	182.27
Charged / (credited)									
To profit or loss	60.40	(0.65)	5.09	7.01	Nil	34.92	Nil	(29.74)	77.03
To other comprehensive income	Nil	Nil	Nil	Nil	Nil	Nil	0.12	12.46	12.58
At 31st March, 2016	721.31	2.68	(166.91)	30.59	Nil	(200.17)	0.35	(115.97)	271.88
To due to acquisition of subsidiary	610.59	Nil	(199.16)	Nil	1,033.63	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	**1,508.11**	**1.93**	**(520.22)**	**46.51**	**1,033.63**	**(200.17)**	**1.93**	**(310.59)**	**1,561.13**

Note - 26 : OTHER NON CURRENT LIABILITIES

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Deferred revenue - Long term	**13.31**	15.71	11.48
Total	**13.31**	15.71	11.48

Note - 27 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in crore

Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
Secured			
Cash credit facility (Refer note no. I below)	**383.16**	134.43	491.75
Unsecured			
Overdraft facility (Refer note no. II below)	**Nil**	Nil	8.84
Commercial Paper (Refer note no. III below)	**658.24**	Nil	Nil
Loan from directors-related parties (Refer note no. IV below & 49)	**Nil**	255.89	71.41
Inter corporate deposit from related party (Refer note no. V below & 49)	**Nil**	19.26	Nil
Total	**1,041.40**	409.58	572.00

Notes :

I. The credit facilities from banks ₹ 383.16 crore are secured on (i) First pari-passu charge on stock, stock in process, semi finished and finished goods, book debts, current assets of the Parent Company, stores 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, 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, and 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, Dis. Rajkot. (p.y. ₹ 134.43 crore as at March 31, 2016 , ₹ 491.75 crore as at April 01, 2015 are secured on parri-passu basis, by first charge, by way of hypothecation of specified stock of raw materials, stock in process, finished goods, other merchandise being movable, book debts present and future situated at specified plants and by way of second charge on specified fixed assets both present and future lying at Mandali in Dist. Mehsana, Chhatral in Dist. Gandhinagar, Moraiya in Dist. Ahmedabad, Alindra unit including Bhadarva assets in Dist. Vadodara, Dhank in Dist. Rajkot of the Parent Company. Effective cost is in the range of 8% to 10% p.a. (p.y 9% to 12% p.a. as at March 31, 2016, 8% to 13% p.a. as at April 01, 2015).

II. The overdraft facility from bank of ₹ Nil (₹ Nil as at March 31, 2016 , ₹ 8.84 crore as at April 01, 2015) to Siddhi Vinayak Cement Pvt. Ltd. (SVCPL) was secured against corporate guarantee issued by the Parent company. SVCPL was amalgamated with the company from 1st April, 2014. Effective interest rate is ₹ Nil. (₹ Nil March 31, 2016, ₹ Nil April 01, 2015).

III. Effective cost of commercial paper is 6.52% p.a.(₹ Nil as at March 31, 2016, ₹ Nil as at April 01, 2015).

IV. Effective cost of unsecured loan from directors is ₹ Nil (8% p.a. as at March 31, 2016, 8% p.a. as at April 01, 2015).

V. Effective cost of unsecured inter corporate deposit is ₹ Nil (8% p.a. as at March 31, 2016, ₹ Nil as at April 01, 2015).

VI. Refer note no.51 for credit risk, liquidity risk and market risk for current financial liabilities.

VII. The carrying amount of financial and non-financial assets pledge as security for secured borrowings are disclosed in Note no.43.

VIII. The group has complied all covenants for loans.

Note - 28 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Trade payables	**1,267.97**	550.91	408.59
Total	**1,267.97**	550.91	408.59

Note :

I. Refer note no.51 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 29 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Secured			
Current maturity of non-convertible debentures (Refer note no.22)	**140.13**	19.14	81.79
Current maturity of non-convertible debentures from related party(Refer note no.22 & 49)	**Nil**	57.50	Nil
Current maturity of term loans from Bank (Refer note no.22)	**56.32**	Nil	Nil
Unsecured			
Current maturity of intercorporate deposits from related party (Refer note no.22 & 49)	**Nil**	50.00	49.00
Current maturity of deferred sales tax liability (Refer note no.23)	**0.01**	0.01	0.01
Interest accrued but not due- short term	**2.79**	2.14	2.02
Unpaid dividends	**0.07**	0.16	0.23
Unclaimed matured non convertible debentures /secured premium notes and interest thereon	**0.14**	0.14	0.14
Liability for equity share capital reduction (Refer note no.I below)	**0.65**	0.65	0.65
Equity share capital reduction balance payable	**0.35**	0.36	0.37
Preference share capital redemption balance payable	**0.32**	0.32	0.32
Security deposits from dealers, transporters and others	**368.86**	Nil	Nil
Derivative Liabilities	**0.08**	Nil	Nil
Creditors for capital expenditure	**106.99**	21.40	32.43
Other payables	**81.52**	84.04	59.59
Total	**758.23**	235.86	226.55

Notes :

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

II. Refer note no.51 for credit risk, liquidity risk and market risk for current financial liabilities.

Note - 30 : OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Advance received from customers	**99.46**	24.51	19.82
Statutory liabilities	**172.67**	145.73	95.31
Deferred revenue	**4.18**	8.02	6.36
Liability for employee related expenses	**64.24**	Nil	Nil
Liability towards discount to dealers	**115.18**	Nil	Nil
Others	**7.68**	Nil	Nil
Total	**463.41**	178.26	121.49

Note - 31 : CURRENT PROVISIONS

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Provision for employee benefits (Refer note no.48)	**56.27**	38.85	19.30
Provision for indirect taxes/litigation (Refer note no.64)	**194.96**	1.91	1.91
Provision for asset retirement obligation (Refer note no.64)	**0.01**	Nil	Nil
Provision for dealer's discounts (Refer note no.64)	**64.80**	Nil	Nil
Provision for contractor's charges (Refer note no.64)	**1.90**	Nil	Nil
Provision - Others	**3.44**	Nil	Nil
Provision for environmental cleanup expenses (Refer note no.64)	**0.52**	0.53	0.50
Total	**321.90**	41.29	21.71

Note - 32 : CURRENT TAX LIABILITIES (NET)

₹ in crore

Particulars	As at 31.03.2017	As at 31.03.2016	As at 1.04.2015
Income tax provision (net)	**292.98**	169.91	10.60
Total	**292.98**	169.91	10.60

Note - 33 : REVENUE FROM OPERATIONS

₹ in crore

Particulars	2016-2017	2015-2016
Revenue from operations		
Sale of Products (including excise duty)		
Finished goods	**10,695.68**	7,649.92
Stock in trade	**50.02**	14.29
	10,745.70	7,664.21
Sale of Services		
Processing charges	**0.68**	0.75
Other operating revenues		
Duty drawback & other export incentives	**0.98**	0.42
Sales tax incentives	**0.22**	Nil
Rentals under own your wagon scheme	**0.08**	Nil
Recoveries of shortages & damaged cement	**0.79**	Nil
Industrial promotional assistance - fiscal incentive (Refer note I. below)	**42.25**	Nil
Scrap Sales	**10.93**	8.77
Total	**10,801.63**	7,674.15

Note :

I. The Group has recognized as other operating revenue Industrial Promotional Assistance (IPA) of ₹ 26.94 Crore (P.y ₹ Nil) related to Mejia Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of ₹ 15.31 (P.y ₹ Nil) Crore has been recognised related to Chittorgarh Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.

Note - 34 : OTHER INCOME

₹ in crore

Particulars	2016-2017	2015-2016
Interest income	**48.89**	32.21
Interest income from financial assets at amortised cost	**19.95**	13.99
Benefit on settlement of legal cases	**Nil**	25.33
Dividend income from equity investments designated at fair value through other comprehensive income	**0.55**	1.63
Net gain on sale of investments	**27.52**	8.42
Net gain on financial assets designated at fair value through profit or loss	**1.09**	2.08
Profit on sale of Mutual Fund	**32.79**	Nil
Profit on Sale of Assets	**0.23**	0.15
Exchange Rate difference (net)	**0.20**	Nil
Claims and Refunds	**10.34**	4.76
Provision no longer required written back	**22.59**	2.41
Others	**15.54**	7.54
Total	**179.69**	98.52

Note - 35 : COST OF MATERIALS CONSUMED

₹ in crore

Particulars	2016-2017	2015-2016
Raw material and Packing material at the beginning of the year (Refer note I. below)	241.53	187.54
Add: Purchases (net)	2,377.25	1,590.76
Total	2,618.78	1,778.30
Less : Raw material and Packing material at the end of the year	311.50	194.13
Cost of Raw material Consumed (Including Packaging Materials)	2,307.28	1,584.17

Note :

I. Includes stock of ₹ 47.40 crore acquired on acquisition of subsidiary.

Note - 36 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in crore

Particulars	2016-2017	2015-2016
Inventories at the beginning of the year:		
(Refer note no.I below)		
Finished goods	547.00	540.51
Stock-in-trade	3.09	Nil
Work-in-progress	159.80	90.71
Total	709.89	631.22
Inventories at the end of the year:		
Finished goods	462.10	463.99
Stock-in-trade	12.10	3.09
Work-in-progress	220.45	63.24
Total	694.65	530.32
Changes in inventories of finished goods, stock-in-trade and work-in-progress	15.24	100.90

Note :

I. Includes stock of ₹ 179.57 crore acquired on acquisition of subsidiary

Note - 37 : EMPLOYEE BENEFITS EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Salaries and wages expenses	737.52	589.79
Contributions to provident and other funds (Refer note no.48)	46.21	36.99
Gratuity expenses (Refer note no.48)	8.37	6.63
Death Retirement expenses (Refer note no.48)	0.36	Nil
Leave compensation expenses (Refer note no.48)	43.33	37.06
Staff welfare expenses	68.16	60.12
Total	903.95	730.59

Note - 38 : FINANCE COSTS

₹ in crore

Particulars	2016-2017	2015-2016
Interest and finance charges on financial liabilities not at fair value through profit or loss	**597.47**	102.99
Interest and finance charges on financial liabilities at fair value through profit or loss	**0.10**	Nil
Other interest expense	**6.57**	8.66
Unwinding interest on assets retirement obligation	**0.09**	0.08
Less : Interest cost capitalised (Refer note no,I below & 46)	**81.56**	34.32
Total	**522.67**	77.41

Note:

I. The capitalisation rate used to determine the amount of borrowing cost to be capitalised is 9.45% the weighted average interest rate applicable to the group's general borrowing during the year. (p.y. 9.25%).

Note - 39 : DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Depreciation of property, plant and equipment (Refer note no.2)	**489.31**	361.40
Amortisation of intangible assets (Refer note no.5)	**40.20**	2.65
Depreciation on investment property (Refer note no.3)	**0.04**	Nil
Total	**529.55**	364.05

Note - 40 : OTHER EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Consumption of stores and spare parts	**452.33**	306.53
Power and fuel expenses	**1,583.60**	1,212.93
Excise duty provided on stocks	**1.84**	(2.20)
Processing charges	**25.57**	29.08
Rent expenses/ Lease Rent (Refer note no.45)	**130.52**	105.02
Repairs		
To building and roads	**10.20**	6.63
To machinery	**103.42**	139.62
To others	**20.69**	5.37
	134.31	151.62
Insurance expenses	**34.09**	28.22
Rates and taxes	**104.04**	68.20
Payments to auditors (Refer note no.59)	**4.61**	4.41
Directors' fees	**0.07**	0.03
Discount on sales expenses	**18.42**	22.05
Commission on sales expenses	**116.69**	21.38
Freight and transportation expenses	**1,591.63**	970.20
Sales tax expenses	**14.03**	16.87
Advertisement expenses	**63.50**	71.64
Exchange fluctuation loss (net)	**0.44**	2.02
Loss on sale of assets	**0.01**	0.08
Donation	**0.67**	0.52
Sales promotion expenses	**16.21**	1.57
Assets written off	**3.57**	Nil
Provision for doubtful debts loans and advances	**4.58**	Nil
Bad debts written off	**52.84**	2.50
Corporate social responsibility expenses	**12.46**	5.85
Other expenses [Net of Transport Income ₹ 2.82 crore (p.y. ₹ 1.64 crore)] (Refer note no.I below)	**378.32**	196.55
Total	**4,744.35**	3,215.07

Note :

I. Includes prior period adjustments(net) ₹ (2.68) crore (p.y. ₹ (0.86) crore).

Note - 41 : TAX EXPENSES

₹ in crore

Particulars	2016-2017	2015-2016
Current tax	**176.67**	221.17
Tax expenses relating to earlier year	**(46.75)**	(5.33)
MAT credit utilised / (entitlement)	**(139.30)**	20.00
MAT credit entitlement relating to earlier year	**(46.76)**	(14.91)
Deferred tax	**286.40**	79.04
Total	**230.26**	299.97

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	2016-2017	2015-2016
Enacted income tax rate in India	**34.608%**	34.608%
Profit before tax	**868.96**	1,094.70
"Current tax expenses on Profit before tax expenses at the enacted income tax rate in India"	**300.73**	378.85
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Permanent disallowances	**140.56**	119.08
US State and local income tax	**Nil**	10.18
Deduction claimed under Income tax act	**(19.47)**	(42.55)
Other deductible expenses	**(340.28)**	(164.85)
MAT credit entitlement/ (utilization)	**111.18**	(19.87)
Reversal of Deferred tax on reversal of Fair valued Assets	**Nil**	34.91
Adjustment related to earlier years (Refer note no I. below)	**(46.75)**	(5.33)
Disallowance of loss of amalgamating company	**29.45**	Nil
Increase in business loss carried forward	**(11.96)**	Nil
Effect of Higher tax rate in USA	**15.49**	15.93
Tax exempted income	**(102.03)**	(86.69)
Deferred tax Expense (net)	**66.28**	64.34
Other items	**87.06**	(4.03)
Total tax expense	**230.26**	299.97
Effective tax rate	**26.50%**	27.40%

Notes:

I. The Indian Subsidiary in its Income tax returns has claimed the Industrial Promotion Assistance (IPA) received during the period FY 2009-10 to 2014-15 as capital receipt. However, the Indian Subsidiary has created provision for Income Tax in its books of accounts considering IPA as revenue receipt. During the current year, based on ruling of the appellate authorities on appeals of the Indian Subsidiary and judicial rulings of the appellate authorities for other taxpayers, the Indian Subsidiary has decided to reverse tax provision of ₹ 45.75 crores created in earlier years on IPA in its books of accounts.

II. 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 - 42 : STATEMENT OF OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars	2016-2017	2015-2016
(i) Items that will not be reclassified to profit or loss		
1. Equity Instruments through Other Comprehensive Income		
Fair value of quoted investments	**12.26**	9.55
Fair value of unquoted investments	**3.49**	4.60
2. Remeasurement of defined benefit plans		
Actuarial gains and losses	**(7.82)**	(1.00)
Total (i)	**7.93**	13.15
(ii) Income tax relating to these items that will not be reclassified to profit or loss		
Deferred Tax impact on quoted investments	**(1.23)**	(0.01)
Deferred Tax impact on unquoted investments	**(0.35)**	(0.46)
Deferred Tax impact on actuarial gains and losses	**2.71**	0.35
Total (ii)	**1.13**	(0.12)
(iii) Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	**(37.72)**	65.42
Deferred gain on cash flow hedge	**0.04**	Nil
Total (iii)	**(37.68)**	65.42
(iv) Income tax relating to these items that will be reclassified to profit or loss		
Tax impact on cash flow hedge	**(0.01)**	Nil
Total (iv)	**(0.01)**	Nil
Total (i + ii + iii + iv)	**(28.63)**	78.45

Notes to the consolidated financial statements

Note 43 : Assets pledged as security

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

₹ in crore

	Assets description	31.03.2017	31.03.2016	1.04.2015
I.	**Current Financial Assets**			
	First charge			
	Trade receivables	**840.19**	917.07	443.28
	Investment in mutual funds	**412.19**	Nil	Nil
II.	**Current Assets**			
	First charge			
	Inventories	**1,440.79**	1,163.22	482.64
	Total current assets pledged as security	**2,693.17**	2,080.29	925.92
III.	**Non-Current Financial Assets**			
	National savings certificate	**0.06**	0.06	0.05
IV.	**Property, Plant and Equipment**			
	First and Second charge			
	Plant and equipments	**8,297.64**	1,284.29	1,265.17
	Freehold land	**707.72**	Nil	Nil
	Buildings	**1,141.22**	10.35	11.09
	Other moveable assets	**14.50**	Nil	Nil
V.	**Capital work in progress**	**151.24**	7.09	10.55
VI.	**Intellectual Property Right**			
	Trade mark	**471.80**	Nil	Nil
	Total non-current assets pledged as security	**10,784.18**	1,301.79	1,286.86
	Total Assets Pledged as Security	**13,477.35**	3,382.08	2,212.78

Notes to the consolidated financial statements

Note 44 : Contingent liabilities not provided for in accounts

I. Contingent liabilities :

₹ in crore

	Particulars	**As at 31.03.2017**	As at 31.03.2016	As at 1.04.2015
A.	Claims against the group not acknowledged as debts			
1	For custom duty	**35.19**	18.34	14.57
2	For direct tax*	**2,537.95**	1,920.00	1,810.00
3	For sales tax	**160.02**	71.06	72.28
4	For excise duty and service tax [Appeals decided in favour of the group ₹ 1.11 cr (31 March,16 : ₹ 0.64 cr; 1 April, 2015 : ₹ 80.70 cr)]	**177.54**	1.63	164.47
5	Others	**93.22**	60.44	48.60
6	For royalty on limestone by the State of Chhattisgarh	**166.02**	Nil	Nil
	Total	**3,169.94**	2,071.47	2,109.92
	*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)	**211.22**	893.91	433.21
8	For letters of credit	**160.78**	89.19	111.14
9	For bank guarantee	**171.97**	62.42	72.75
10	Corporate guarantee given by the group (refer note 1 below)	**95.00**	95.00	95.00
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	Not ascertainable
12	Claims against the group not acknowledged as debt-relating to land of cement plant.	**Not ascertainable**	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 Honorable Supreme Court, which has stayed the proceedings before the Board of Revenue.	**Not ascertainable**	Nil	Nil
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 Honorable High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court. 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. and Raymond Ltd/TISCO."	**Not ascertainable**	Nil	Nil

Notes to the consolidated financial statements

Notes:

1 The group has provided corporate guarantee of ₹ Nil (March 31, 2016 : ₹ Nil; April 1, 2015: ₹ 80 cr) to the Ratnakar Bank Ltd. for securing credit facilities sanctioned to Shree Rama Multitech Ltd. and ₹ Nil (March 31, 2016. ₹ Nil, April 1, 2015. ₹ 15 cr) to Yes Bank Ltd. for securing credit facilities extended to Quick Setting Cement Private Ltd.

2 The group's shipments through the San Diego and Long Beach, California ports require a minimum annual guarantee (MAG). The Port of San Diego requires that the group ships 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 January 2018 and the Long Beach port agreement expires in May 2018. The group recorded ₹ 10.69 cr and ₹ 12.71 cr in unfulfilled MAG commitments as of March 31, 2017 and 2016, 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 ₹ 6.52 cr and ₹ 34.25 cr, respectively.

3 The group has various agreements with customers 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.

4 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 Builders 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 group 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 group 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 group 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 group. The group 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. Based on advice of external legal counsel and the rights available with the group, no provision is considered necessary.

5 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 Partners and had ordered invocation of bank guarantee of ₹ 2,55,93,000. The said order was challenged by all joint venture partners, 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 orders 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 the all the three writ petitions of JV partners 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 ₹ 2,55,93,000/-, which has been challenged by all JV partners through separate writ petitions before Hon'ble High Court of Delhi. High Court of Delhi through its orders dated October 16,2015 and October 20, 2015 was pleased to grant stay against any coercive steps subject to Bank Guarantee being kept alive.

6 As of March 31, 2017, the group 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 group 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 group to purchase a minimum usage. Future minimum purchases remaining under the coal agreement are ₹ 199.98 crores through December 31, 2018. Future minimum purchases remaining under the gas agreement are ₹ 10.49 crores through March 31, 2019.

7 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.

Notes to the consolidated financial statements

II. Contingent asset :

The group has certain claims of tax incentives from the Government of Rajasthan.

Note 45 : Operating lease

The break-up of total minimum lease payments for operating lease due as on 31.03.2017, entered into by the group are as follows:

₹ in crore

Particulars	31.03.2017	31.03.2016	1.04.2015
Not later than one year	**81.38**	74.76	72.42
Later than one year and not later than five years	**130.69**	177.44	219.22
Later than five years	**26.47**	31.69	25.77
Lease payment recognised in Statement of Profit and Loss	**83.28**	82.84	86.61

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, 2017 to fulfill this requirement is ₹ 0.02 crores.

Note 46

The following expenditures have been capitalised as part of fixed assets

₹ in crore

Particulars	2016-2017	2015-2016
Employee cost	**2.62**	1.45
Power and fuel expenses	**1.41**	1.84
Finance Cost	**80.11**	34.32
Other	**0.65**	0.70
Total	**84.79**	38.31

Note 47

The financial statements are approved for issue by the Audit Committee as at its meeting on May 24, 2017 and by the Board of Directors on May 25, 2017.

Note 48 : 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	2016-2017	2015-2016
Employer's Contribution to Provident Fund	**20.08**	14.42
Employer's Contribution to Superannuation Fund	**3.88**	Nil

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	31.03.2017				31.03.2016			1.04.2015		
	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
	(India)	(India)	(India)	(Foreign)	(India)	(India)	(Foreign)	(India)	(India)	(Foreign)
A. Reconciliation of opening and closing balances of Defined Benefit obligation										
a. Obligation as at the beginning of the year	**47.95**	**17.35**	**Nil**	**29.25**	45.93	18.43	30.29	42.06	16.08	29.27
Balance transferred on demerger of healthcare division	**Nil**	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	(4.48)	(2.10)	Nil
Balance acquired on acquisition of subsidiary	**52.19**	**Nil**	**3.73**	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil
b. Current Service Cost	**5.96**	**3.13**	**0.05**	**18.78**	4.22	2.41	12.98	3.83	2.64	1.71
c. Interest Cost	**5.36**	**1.24**	**0.13**	**0.30**	3.43	1.31	0.55	3.24	1.24	0.59
d. Actuarial (Gain) / Loss	**9.35**	**11.86**	**0.14**	**4.58**	1.00	2.63	7.52	5.78	1.72	(2.49)
e. Benefits Paid	**(7.25)**	**(1.86)**	**(0.14)**	**(24.58)**	(6.63)	(7.43)	(23.87)	(4.50)	(1.15)	(0.06)
f. Exchange rate difference	**Nil**	**Nil**	**Nil**	**(0.58)**	Nil	Nil	1.78	Nil	Nil	1.27
g. Obligation as at the end of the year	**113.56**	**31.72**	**3.91**	**27.75**	47.95	17.35	29.25	45.93	18.43	30.29
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	**13.90**	**Nil**	**Nil**	**Nil**	16.35	Nil	Nil	17.56	Nil	Nil
Balance acquired on acquisition of subsidiary	**53.58**	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil
Expense deducted from the fund	**Nil**	**Nil**	**Nil**	**Nil**	(0.26)	Nil	Nil	(0.21)	Nil	Nil
b. Expected return on Plan Assets	**1.04**	**Nil**	**Nil**	**Nil**	1.29	Nil	Nil	1.72	Nil	Nil
c. Actuarial Gain/(Loss)	**1.54**	**Nil**	**Nil**	**Nil**	(₹ 36,772)	Nil	Nil	(0.21)	Nil	Nil
d. Employer's Contributions	**5.08**	**Nil**	**Nil**	**Nil**	0.62	Nil	Nil	0.80	Nil	Nil
e. Benefits Paid	**(6.56)**	**Nil**	**Nil**	**Nil**	(4.10)	Nil	Nil	(3.31)	Nil	Nil
f. Fair Value of Plan Assets as at the end of the year	**68.58**	**Nil**	**Nil**	**Nil**	13.90	Nil	Nil	16.35	Nil	Nil

₹ in crore

Description	31.03.2017				31.03.2016			1.04.2015		
	Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
	(India)	**(India)**	**(India)**	**(Foreign)**	(India)	(India)	(Foreign)	(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	**68.58**	**Nil**	**Nil**	**Nil**	13.90	Nil	Nil	16.35	Nil	Nil
b. Present Value of Obligation as at the end of the year	**(113.56)**	**(31.72)**	**Nil**	**(27.75)**	(47.95)	(17.35)	(29.25)	(45.93)	(18.43)	(30.29)
c. Amount recognised in the Balance Sheet	**(44.98)**	**(31.72)**	**Nil**	**(27.75)**	(34.05)	(17.35)	(29.25)	(29.58)	(18.43)	(30.29)
D. Investment Details of Plan Assets										
Bank balance	**2%**	**Nil**	**Nil**	**Nil**	3%	Nil	Nil	Nil	Nil	Nil
Invested with Life Insurance Corporation of India	**98%**	**Nil**	**Nil**	**Nil**	97%	Nil	Nil	100%	Nil	Nil
Invested with Life Insurance Corporation of India (due to acquisition of Indian subsidiary)	**100%**	**Nil**	**Nil**	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil
E. Actuarial Assumptions										
a. Discount Rate (per annum)	**7.10% to 7.25%**	**7.25%**	**Nil**	**1.01%**	7.80%	7.80%	1.71%	7.80%	7.80%	1.94%
b. Estimated Rate of return on Plan Assets (per annum)	**7.25% to 8.00%**	**Nil**	**Nil**	**Nil**	7.80%	Nil	Nil	Nil	Nil	Nil
c. Rate of escalation in salary (per annum)	**6.00% to 8.00%**	**6.00%**	**Nil**	**4.00%**	6.00%	6.00%	4.00%	6.00%	6.00%	4.00%

Notes to the consolidated financial statements

F. Expenses recognised during the year

₹ in crore

Description	2016-2017				2015-2016		
	Gratuity (Funded)	**Leave Encashment (Unfunded)**	**Death Retirement (Unfunded)**	**Employee Benefits (Unfunded)**	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
	(India)	**(India)**	**(India)**	**(Foreign)**	(India)	(India)	(Foreign)
Expenses recognised during the year							
(i) Current Service Cost	**5.96**	**3.13**	**0.05**	**18.78**	4.22	2.41	12.98
(ii) Interest Cost	**5.36**	**1.24**	**0.13**	**0.30**	3.43	1.31	0.55
(iii) Expected return on Plan Assets	**(1.04)**	**Nil**	**Nil**	**Nil**	(1.29)	Nil	Nil
(iv) Expenses deducted from the fund	**Nil**	**Nil**	**Nil**	**Nil**	0.26	Nil	Nil
(v) Actuarial (Gain) / Loss	**7.81**	**11.86**	**0.14**	**4.58**	1.00	2.63	7.52
(vi) Expense recognised during the year	**18.09**	**16.23**	**0.32**	**23.66**	7.62	6.35	21.05

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	31.03.2017						
	Increase				Decrease		
	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
Discount rate (0.5% to 1% movement)	**(0.16)**	**1.52**	**(0.18)**	**0.10**	**0.23**	**(1.67)**	**(0.10)**
Salary growth rate (0.5% to 1% movement)	**(0.48)**	**(1.68)**	**0.08**	**(0.10)**	**0.37**	**1.54**	**0.10**

₹ in crore

Particulars	31.03.2016						
	Increase				Decrease		
	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
Discount rate (0.5% to 1% movement)	2.09	0.81	Nil	0.10	(2.26)	(0.89)	(0.11)
Salary growth rate (0.5% to 1% movement)	(2.37)	(0.90)	Nil	(0.10)	2.11	0.83	0.10

₹ in crore

Particulars	01.04.2015						
	Increase				Decrease		
	Gratuity (Funded)	Leave Encashment (Unfunded)	Death Retirement (Unfunded)	Employee Benefits (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)	Employee Benefits (Unfunded)
Discount rate (0.5% to 1% movement)	2.64	0.83	Nil	(0.65)	(1.58)	(0.92)	1.38
Salary growth rate (0.5% to 1% movement)	(1.54)	(0.95)	Nil	(1.34)	2.62	0.89	0.89

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 49 : Related party transactions

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

I. Relationship:

A. Shareholders / Promoters having Control over the Group

Shri Karsanbhai K. Patel, Smt. Shantaben K. Patel, Shri Rakesh K. Patel and Shri Hiren K. Patel are directly and indirectly holding 100% equity shares in the parent company as of 31.03.2017.

B. Entities over which Promoters exercise control

Nirma Credit & Capital Pvt. Ltd., Nirma Industries Pvt. Ltd., Nirma Chemical Works Pvt. Ltd., Nirma Management Services Pvt. Ltd., Navin Overseas FZC, UAE, Aculife Healthcare Private Ltd., Nirma AOP and Patel AOP.

Following companies were amalgamated with the parent company with effect from 01.04.2014. Banihal Holdings Pvt. Ltd., Kargil Holdings Pvt. Ltd., Kulgam Holdings Pvt. Ltd., Leh Holdings Pvt. Ltd.,Uri Holdings Pvt. Ltd. and Kanak Castor Products Pvt. 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		

*Carrying value of investment is Nil

E. Entities over which Promoter has Significant Influence

Shree Rama Multi-tech Ltd,
Nirma Education and Research Foundation
Manjar Discretionary Trust

F. Key Management Personnel:

Particulars	Designation
Executive Directors	
Shri Hiren K. Patel	Managing Director
Shri Shailesh V. Sonara	Director (Environment and Safety)
Shri Kalpesh A. Patel	Executive Director (up to 20.08.2015)
Non Executive Directors	
Dr. Karsanbhai K. Patel	Chairman
Shri Rakesh K. Patel	Vice Chairman
Shri Pankaj R. Patel	Director
Shri Rajendra D. Shah	Director (up to 18.01.2017)
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 Rajendra J. Joshipara	Chief Financial Officer
Shri Paresh Sheth	Company Secretary

Notes to the consolidated financial statements

G. Relatives:

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

Dr. Karsanbhai K. Patel
Shri Rakesh K. Patel

H. Key Management Personnel compensation:

₹ in crore

Particulars	31.03.2017	31.03.2016	1.04.2015
Short-term employee benefits	**4.23**	3.46	3.27
Long-term post employment benefits	**0.28**	0.45	0.03
Total compensation	**4.51**	3.91	3.30

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.	Jointly Controlled Entities	31.03.2017	31.03.2016	1.04.2015
1	Sale of finished goods	**89.18**	97.58	2.83
	Navin Overseas FZC, UAE	**13.70**	95.67	2.52
	Aculife Healthcare Pvt. Ltd.	**0.87**	1.72	0.31
	Nirma Chemical Works Pvt. Ltd	**70.83**	Nil	Nil
2	Sale of materials	**Nil**	0.01	2.08
	Nirma University	**(₹ 9,154)**	0.01	(₹ 22,552)
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	2.08
3	Purchase of materials/Service	**113.37**	124.42	145.06
	Navin Overseas FZC, UAE	**113.14**	123.27	145.06
4	Redemption of preference shares	**10.00**	Nil	22.79
	Nirma Chemical Works Pvt. Ltd	**10.00**	Nil	8.79
	Nirma Credit and Capital Pvt. Ltd.	**Nil**	Nil	4.55
	Nirma Industries Pvt. Ltd.	**Nil**	Nil	5.53
	Nirma Management Services Pvt. Ltd.	**Nil**	Nil	3.92
5	Repayment of non convertible debentures	**45.00**	Nil	Nil
	Nirma Chemical Works Pvt. Ltd	**45.00**	Nil	Nil
6	Interest expenses	**60.61**	59.29	50.39
	Nirma Credit and Capital Pvt. Ltd.	**16.55**	Nil	Nil
	Nirma Chemical Works Pvt. Ltd.	**44.06**	59.16	48.94
7	ICD - taken	**1,028.93**	25.30	28.59
	Nirma Credit and Capital Pvt. Ltd	**378.77**	25.30	28.59
	Nirma Chemical Works Pvt. Ltd.	**650.16**	Nil	Nil
8	ICD - repaid	**926.12**	194.09	45.44
	Nirma Chemical Works Pvt. Ltd	**864.59**	187.94	16.85
	Nirma Credit and Capital Pvt. Ltd	**61.53**	6.15	28.59
9	Transfer of Assets on account of Demerger	**Nil**	Nil	659.02
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	659.02
10	Transfer of Liabilities on account of Demerger	**Nil**	Nil	622.95
	Aculife Healthcare Pvt. Ltd.	**Nil**	Nil	622.95

₹ in crore

A.	Jointly Controlled Entities	31.03.2017	31.03.2016	1.04.2015
11	Acquisition of Assets on account of Amalgamation	**Nil**	Nil	149.61
	Banihal Holdings Pvt. Ltd	**Nil**	Nil	21.82
	Kargil Holdings Pvt. Ltd.	**Nil**	Nil	23.09
	Kulgam Holdings Pvt. Ltd	**Nil**	Nil	23.62
	Leh Holdings Pvt. Ltd	**Nil**	Nil	22.65
	Uri Holdings Pvt. Ltd	**Nil**	Nil	23.22
	Kanak Castor Products Pvt. Ltd.	**Nil**	Nil	35.21
12	Acquisition of Liabilities on account of Amalgamation	**Nil**	Nil	26.63
	Kanak Castor Products Pvt. Ltd.	**Nil**	Nil	26.24
13	Buyback of Equity Shares	**Nil**	229.88	Nil
	Nirma AOP	**Nil**	114.24	Nil
	Patel AOP	**Nil**	114.24	Nil
14	Royalty Income	**0.72**	(₹ 25,000)	Nil
	Aculife Healthcare Pvt. Ltd.	**0.72**	(₹ 25,000)	Nil
15	Net closing balance - debit	**5.08**	28.75	2.82
16	Net closing balance - credit	**525.78**	602.22	535.86

₹ in crore

B.	Joint Venture	31.03.2017	31.03.2016	1.04.2015
1	Net closing balance - debit*	**1.07**	Nil	Nil

* Provision of ₹ 1.07 cr is made against the receivables

Notes to the consolidated financial statements

₹ in crore

C.	Entities over which Promoter has Significant Influence	31.03.2017	31.03.2016	1.04.2015
1	Sale of finished goods	**0.04**	Nil	Nil
	Nirma Education and Research Foundation	**0.04**	Nil	Nil
2	Sale of materials	**0.24**	0.53	0.40
	Shree Rama Multitech Limited	**0.24**	0.53	0.40
3	Sale of services	**0.85**	Nil	Nil
	Nirma Education and Research Foundation	**0.85**	Nil	Nil
4	Purchase of materials	**0.16**	0.15	1.42
	Shree Rama Multitech Limited	**0.16**	0.15	1.42
5	Interest income	**Nil**	(₹ 25,056)	6.80
	Shree Rama Multitech Limited	**Nil**	Nil	5.55
	Nirma Education and Research Foundation	**Nil**	(₹ 25,056)	1.25
6	Loan / ICD-Recovered	**Nil**	0.63	82.87
	Shree Rama Multi-tech Limited	**Nil**	Nil	54.54
	Nirma Education and Research Foundation	**Nil**	0.63	28.33
7	Expenditure on Corporate Social Responsibility Activities	**1.93**	0.82	4.05
	Nirma Education and Research Foundation	**1.93**	0.82	4.05
8	Guarantee commission income	**0.13**	0.20	(₹ 43,836)
	Shree Rama Multi-tech Limited	**0.13**	0.20	(₹ 43,836)
9	Rent Expense	**0.27**	Nil	Nil
	Manjar Discretionary Trust	**0.27**	Nil	Nil
10	Net closing balance - debit	**1.12**	0.36	0.64
11	Closing balance - Guarantee	**80.00**	80.00	80.00

Notes to the consolidated financial statements

₹ in crore

D.	Key Management Personnel	31.03.2017	31.03.2016	1.04.2015
1	Remuneration	**3.82**	3.34	2.13
	Shri Hiren K. Patel	**2.78**	1.15	0.77
	Shri Kalpesh A. Patel	**Nil**	0.99	0.53
	Shri R. J. Joshipara	**0.57**	0.68	0.46
	Shri Paresh Sheth	**0.31**	0.41	0.26
2	Loan - taken	**261.68**	107.86	117.01
	Shri Hiren K. Patel	**261.68**	107.86	117.01
3	Loan - repaid	**150.81**	36.25	199.69
	Shri Hiren K. Patel	**150.81**	36.25	199.69
4	Loan - recovered	**Nil**	0.05	0.03
	Shri Paresh Sheth	**Nil**	0.05	0.03
5	Interest Income	**Nil**	0.01	Nil
	Shri Paresh Sheth	**Nil**	0.01	Nil
6	Interest expenses	**4.31**	4.05	8.41
	Shri Hiren K. Patel	**4.31**	4.05	8.41
7	Perquisites	**0.69**	0.57	1.17
	Shri Hiren K. Patel	**0.69**	0.57	1.17
8	Net closing balance - debit	**Nil**	Nil	0.05
9	Net closing balance - credit	**223.24**	112.37	40.77

₹ in crore

E.	Relatives of Key Management Personnel	31.03.2017	31.03.2016	1.04.2015
1	Directors' fees	**0.02**	0.01	0.01
	Dr. Karsanbhai K. Patel	**0.01**	(₹ 40,000)	0.01
	Shri Rakesh K. Patel	**0.01**	(₹ 30,000)	(₹ 40,000)
2	Directors' Remuneration	**0.02**	0.01	Nil
	Dr. Karsanbhai K. Patel	**0.01**	(₹ 53,137)	Nil
	Shri Rakesh K. Patel	**0.01**	(₹ 57,477)	Nil
3	Interest expenses	**4.39**	6.56	9.70
	Shri Rakesh K. Patel	**4.39**	6.56	9.70
4	Loan - taken	**258.10**	178.54	163.33
	Shri Rakesh K. Patel	**258.10**	178.54	163.33
5	Loan - repaid	**145.87**	65.66	280.58
	Shri Rakesh K. Patel	**145.87**	65.66	280.58
6	Closing balance - credit	**255.75**	143.52	30.64

Notes to the consolidated financial statements

₹ in crore

F.	Non-Executive Directors	31.03.2017	31.03.2016	1.04.2015
1	Sitting Fees	**0.05**	0.02	0.02
	Shri Pankaj R. Patel	0.01	(₹ 20,000)	(₹ 20,000)
	Shri Rajendra D. Shah (Resigned w.e.f. 18.01.2017)	(₹ 50,000)	(₹ 30,000)	(₹ 50,000)
	Shri Chinubhai R. shah	0.01	(₹ 40,000)	(₹ 50,000)
	Shri Kaushik N. Patel	0.01	(₹ 40,000)	(₹ 50,000)
	Shri Vijay R. Shah	0.01	(₹ 40,000)	Nil
	Smt. Purvi A Pokhariyal	0.01	(₹ 40,000)	Nil

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 50

Financial instruments – Fair values and risk management

I. Accounting classification and fair values

₹ 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		0.06		0.06
Loans (non-current)			2.19	2.19			2.19	2.19
Loans (current)			77.21	77.21			77.21	77.21
Other non current financial assets			131.94	131.94			131.94	131.94
Other current financial assets			111.61	111.61			111.61	111.61
Trade receivables			1,260.03	1,260.03			1,260.03	1,260.03
Cash and cash equivalents			733.63	733.63			733.63	733.63
Other bank balances			25.60	25.60			25.60	25.60
Total Financial Assets	412.19	64.11	2,342.27	2,818.57	459.52	0.06	2,358.99	2,818.57
Financial liabilities measured at amortised cost								
Non current borrowings			8,599.17	8,599.17		8,599.17		8,599.17
Current borrowings			1,041.40	1,041.40			1,041.40	1,041.40
Non current financial liabilities- Others			139.23	139.23		139.23		139.23
Trade payables			1,267.97	1,267.97			1,267.97	1,267.97
Other financial liabilities			758.15	758.15			758.15	758.15
Derivative liability	0.08			0.08		0.08		0.08
Total Financial Liabilities	0.08	Nil	11,805.92	11,806.00	Nil	8,738.48	3,067.52	11,806.00

₹ in crore

31.03.2016	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	140.00			140.00	140.00			140.00
Listed equity instruments		55.07		55.07	55.07			55.07
Unquoted equity instruments		13.30		13.30			13.30	13.30
Financial assets measured at amortised cost								
Unquoted government securities			0.06	0.06		0.06		0.06
Loans (non-current)			2.68	2.68			2.68	2.68
Loans (current)			48.39	48.39			48.39	48.39
Other non current financial assets			3.10	3.10			3.10	3.10
Other current financial assets			12.06	12.06			12.06	12.06
Trade receivables			871.58	871.58			871.58	871.58
Cash and cash equivalents			457.82	457.82			457.82	457.82
Other bank balances			19.53	19.53			19.53	19.53
Total Financial Assets	140.00	68.37	1,415.22	1,623.59	195.07	0.06	1,428.46	1,623.59
Financial liabilities measured at amortised cost								
Non current borrowings			722.56	722.56		722.56		722.56
Current borrowings			409.58	409.58			409.58	409.58
Non current financial liabilities- Others			126.17	126.17		126.17		126.17
Trade payables			550.91	550.91			550.91	550.91
Other financial liabilities			235.86	235.86			235.86	235.86
Total Financial Liabilities	Nil	Nil	2,045.08	2,045.08	Nil	848.73	1,196.35	2,045.08

Notes to the consolidated financial statements

₹ in crore

01.04.2015	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	105.00			105.00	105.00			105.00
Listed equity instruments		46.82		46.82	46.82			46.82
Unquoted equity instruments		8.70		8.70			8.70	8.70
Financial assets measured at amortised cost								
Unquoted government securities			0.05	0.05		0.05		0.05
Loans (non-current)			3.05	3.05			3.05	3.05
Loans (current)			211.92	211.92			211.92	211.92
Other non current financial assets			19.94	19.94			19.94	19.94
Other current financial assets			5.35	5.35			5.35	5.35
Trade receivables			722.60	722.60			722.60	722.60
Cash and cash equivalents			204.83	204.83			204.83	204.83
Other bank balances			4.65	4.65			4.65	4.65
Total Financial Assets	105.00	55.52	1,172.39	1,332.91	151.82	0.05	1,181.04	1,332.91
Financial liabilities measured at amortised cost								
Non current borrowings			945.55	945.55		945.55		945.55
Current borrowings			572.00	572.00			572.00	572.00
Non current financial liabilities- Others			116.22	116.22		116.22		116.22
Trade payables			408.59	408.59			408.59	408.59
Other financial liabilities			226.55	226.55			226.55	226.55
Total Financial Liabilities	Nil	Nil	2,268.91	2,268.91	Nil	1,061.77	1,207.14	2,268.91

Notes to the consolidated financial statements

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

₹ in crore

	31.03.2017		31.03.2016		1.04.2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Investments						
Loans (non-current)	**2.19**	**2.19**	2.68	2.68	3.05	3.05
Unquoted government securities	**0.06**	**0.06**	0.06	0.06	0.05	0.05
Other non current financial assets	**131.94**	**131.94**	3.10	3.10	19.94	19.94
Total financial assets	**134.19**	**134.19**	5.84	5.84	23.04	23.04
Financial liabilities						
Non current borrowings	**8,599.17**	**8,599.17**	722.56	722.56	945.55	945.55
Non current financial liabilities- Others	**139.23**	**139.23**	126.17	126.17	116.22	116.22
Total financial liabilities	**8,738.40**	**8,738.40**	848.73	848.73	1,061.77	1,061.77

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 3 fair values in the fair value hierarchy due to the use of unobservable 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%		

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, 2017, March 31, 2016 and April 1, 2015 is as below:

₹ in crore

Particulars	Equity Instruments
As at 1 April 2015	**8.70**
Acquisitions/ (disposals)	Nil
Gains/ (losses) recognised in other comprehensive income	4.60
Gains/ (losses) recognised in statement of profit or loss	Nil
As at 31 March 2016	**13.30**
Acquisitions/ (disposals)	Nil
Gains/ (losses) recognised in other comprehensive income	3.48
Gains/ (losses) recognised in statement of profit or loss	Nil
As at 31 March 2017	**16.78**

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	31.03.2017		31.03.2016		1.04.2015	
	Other Comprehensive Income		Other Comprehensive Income		Other Comprehensive Income	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Unquoted equity instruments measured through OCI 5% movement	**0.84**	**0.84**	0.66	0.66	0.43	0.43

Note 51 : 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.

Notes to the consolidated financial statements

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:

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, 2017, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

₹ in crore

	Carrying amount		
	31.03.2017	31.03.2016	01.04.2015
Domestic	**891.15**	461.73	368.92
Other regions	**368.88**	409.85	353.68
Total	**1,260.03**	871.58	722.60

A.1. Impairment

At March 31, 2017, the ageing of trade and other receivables that were not impaired was as follows.

₹ in crore

Particulars	Carrying amount								
	31.03.2017			31.03.2016			1.04.2015		
	Gross	**Provision**	**Net**	Gross	Provision	Net	Gross	Provision	Net
Neither past due nor impaired	**198.99**	**Nil**	**198.99**	Nil	Nil	Nil	Nil	Nil	Nil
Upto 30 days	**727.67**	**0.69**	**726.98**	693.29	Nil	693.29	555.65	Nil	555.65
Between 31–90 days	**194.14**	**0.72**	**193.42**	143.64	Nil	143.64	139.50	Nil	139.50
More than 90 days	**197.28**	**56.64**	**140.64**	36.36	1.71	34.65	29.16	1.71	27.45
Total	**1,318.08**	**58.05**	**1,260.03**	873.29	1.71	871.58	724.31	1.71	722.60
% of expected credit losses (More than 90 days)		**4.61%**			0.20%			0.24%	

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 31.03.2017, 31.03.2016 and 1.04.2015.

A.2. Movement in provision of doubtful debts

₹ in crore

Particulars	**31.03.2017**	31.03.2016	1.04.2015
Opening provision	**1.71**	1.71	1.71
Acquired on acquisition of subsidiary	**55.37**	Nil	Nil
Additional provision made	**0.97**	Nil	Nil
Closing provision	**58.05**	1.71	1.71

Notes to the consolidated financial statements

Financial instruments – Fair values and risk management

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.

A. The group maintains the following lines of credit:

(1) Cash credit facility of ₹ 383.16 cr (p.y. March 31, 2016: ₹ 134.43 cr and April 1, 2015: ₹ 491.75 cr) that is secured through book debts and stock. Interest would be payable at the rate of varying from 9% - 12% p.a.

(2) Commercial paper of ₹ 658.24 cr (p.y. March 31, 2016: ₹ Nil, April 1, 2015: ₹ Nil) 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.

(3) Inter-corporate deposit of ₹ Nil (p.y. March 31, 2016: ₹ 19.26 cr and April 1, 2015: ₹ Nil). Interest would be payable at the rate ranging from 6% - 9% p.a.

(4) Overdraft facility of ₹ Nil (p.y. March 31, 2016: ₹ Nil and April 1, 2015: ₹ 8.84 at 11% p.a.), that is secured against the corporate guarantee.

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

₹ in crore

Particulars	As at		
	31.03.2017	31.03.2016	1.04.2015
Floating rate			
Fund Base			
Expiring within one year (bank overdraft and other facilities)	**2,241.84**	1,065.57	508.25
Non Fund Base			
Expiring within one year (bank overdraft and other facilities)	**1,347.19**	291.10	256.69

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 31.03.2017	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	Nil	3,373.44	4,399.77	825.96	8,599.17
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	758.15	758.15	Nil	Nil	Nil	758.15
Derivative financial liabilities						
Derivative contracts used for hedging - Inflow	0.08	0.08	Nil	Nil	Nil	0.08

Notes to the consolidated financial statements

₹ in crore

As on 31.03.2016	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	722.56	Nil	395.43	318.69	8.44	722.56
Non current financial liabilities	126.17	Nil	0.03	Nil	126.14	126.17
Current financial liabilities	409.58	409.58	Nil	Nil	Nil	409.58
Trade and other payables	550.91	550.91	Nil	Nil	Nil	550.91
Other current financial liabilities	235.86	235.86	Nil	Nil	Nil	235.86

₹ in crore

As on 01.04.2015	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	945.55	Nil	547.13	390.21	8.21	945.55
Non current financial liabilities	116.22	Nil	0.03	Nil	116.19	116.22
Current financial liabilities	572.00	572.00	Nil	Nil	Nil	572.00
Trade and other payables	408.59	408.59	Nil	Nil	Nil	408.59
Other current financial liabilities	226.55	226.55	Nil	Nil	Nil	226.55

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 0.78% of total sales this is not perceived to be a major risk. The average imports account for 22.29% 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.

Notes to the consolidated financial statements

A.1. Foreign Currency Exposure

₹/ FC in crore

Particulars	Currency	31.03.2017	31.03.2016	1.04.2015
a) Against export	USD	0.09	0.09	0.14
	INR	5.66	5.90	8.81
	GBP	Nil	Nil	(GBP 2,036)
	INR	Nil	Nil	0.02
b) Against import (including capital import)	USD	0.12	0.19	(USD 35,661)
	INR	8.21	12.51	0.22
	EURO	0.02	0.02	(EURO 15,026)
	INR	1.51	1.83	0.10
	GBP	Nil	Nil	(GBP 8,035)
	INR	Nil	Nil	0.07
Net statement of financial exposure	USD	(0.03)	(0.10)	0.13
	INR	(2.55)	(6.61)	8.59
	GBP	Nil	Nil	(-){GBP 5,999}
	INR	Nil	Nil	(0.05)
	EURO	(0.02)	(0.02)	(-){EURO 15,026}
	INR	(1.51)	(1.83)	(0.10)

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 31.03.2017	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)		
USD	**0.13**	**0.13**
EURO	**0.08**	**0.08**

₹ in crore

As on 31.03.2016	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease)		
USD	0.33	0.33
EURO	0.09	0.09

₹ in crore

As on 01.04.2015	Impact on profit before tax	
Particulars	Increase	Decrease
Currency rates (5% increase/ decrease)		
USD	0.43	0.43
EURO	0.01	0.01

Notes to the consolidated financial statements

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	31.03.2017	31.03.2016	1.04.2015
Fixed-rate instruments			
Financial assets	**237.32**	82.63	241.73
Financial liabilities	**8,371.44**	1,078.66	1,505.20
Total	**8,608.76**	1,161.29	1,746.93
Variable-rate instruments			
Financial liabilities	**1,604.81**	198.79	210.36
Total	**1,604.81**	198.79	210.36

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

As on 31.03.2017	Bank loans
Weighted average interest rate	**9.45%**
Balance	**1,604.81**
% of total loans	**16.09%**

As on 31.03.2016	Bank loans
Weighted average interest rate	9.25%
Balance	198.79
% of total loans	15.56%

As on 01.04.2015	Bank loans
Weighted average interest rate	9.12%
Balance	210.36
% of total loans	12.26%

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 31.03.2017	Impact on profit before tax	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	**7.51**	**7.51**

₹ in crore

As on 31.03.2016	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	0.99	0.99

₹ in crore

As on 01.04.2015	Impact on profit before tax	
Particulars	Decrease	Increase
Interest rates (0.50% increase/ decrease)	1.05	1.05

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 31.03.2017	**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**

₹ in crore

As on 31.03.2016	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	2.75	2.75
Quoted Mutual Fund instruments (1% increase/ decrease)	1.40	1.40	Nil	Nil

₹ in crore

As on 01.04.2015	Impact on profit before tax		Impact on other components of equity	
Particulars	Increase	Decrease	Increase	Decrease
Quoted Equity instruments (5% increase/ decrease)	Nil	Nil	2.34	2.34
Quoted Mutual Fund instruments (1% increase/ decrease)	1.05	1.05	Nil	Nil

Note 52 : 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		
	31.03.2017	31.03.2016	1.04.2015
Total liabilities	**14,638.87**	2,826.27	2,730.29
Less : Cash and bank balances	**759.23**	477.35	209.48
Adjusted net debt	**13,879.64**	2,348.92	2,520.81
Total equity	**9,415.14**	4,853.37	4,261.99
Adjusted net debt to adjusted equity ratio	**1.47**	0.48	0.59

Notes to the consolidated financial statements

Note 53 : Earnings per share

[Number of shares]

Particulars	31-Mar-17	31-Mar-16
Issued equity shares	**146,075,130**	154,877,026
Weighted average shares outstanding - Basic and Diluted - A	**146,075,130**	154,877,026

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-Mar-17	31-Mar-16
Profit and loss after tax	**638.70**	794.73
Profit and loss after tax for EPS - B	**638.70**	794.73
Basic Earnings per share [B/A] [₹]	**43.72**	51.31
Diluted Earnings per share [B/A] [₹]	**43.72**	51.31

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 54

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 55

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 56

Exceptional item amounting to ₹ 102.13 cr represents certain assets written off in respect of Cement project at Mahuva, Gujarat and ₹ 8.73 cr in relation to the order of Competition Commission of India dated February 2, 2016.

Note 57 : Hedge Accounting

The group's 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.

Particulars	31.03.2017		31.03.2016		1.04.2015	
	Assets	**Liabilities**	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments	Nil	0.08	Nil	Nil	Nil	Nil

Notes to the consolidated financial statements

The cash flow hedges of the firm commitments during the year ended March 31, 2017 were assessed to be highly effective, and as at March 31, 2017, a net unrealised loss of ₹ 0.06 crore and was included in other equity in respect of these contracts. The effective portion of ₹ 0.02 cr is charged to profit and loss.

Note 58

Disclosure required pursuant to notification no. G.S.R.307 (E) and Notification No. G.S.R.308 (E) dated 30th March, 2017.

In respect of holding and its indian subsidiary

Disclosure in respect of specified bank notes held and transacted

(Amount in ₹)

Particulars	Specified Bank Notes (SBNs)	Other denomination notes & Coins	Total
Closing cash in hand as on 08.11.2016	12,837,500	3,749,172	16,586,672
(+) Permitted receipts	26,500	15,239,942	15,266,442
(-) Permitted payments	490,000	11,389,362	11,879,362
(-) Amount deposited in Banks	12,374,000	318,450	12,692,450
Closing cash in hand as on 30.12.2016	Nil	7,281,302	7,281,302

Specified Bank Notes is defined as Bank Notes of denomination of the existing series of the value of five hundred rupees and one thousand rupees.

* Permitted receipts represents the advance amount returned by group's employees.

Notes to the consolidated financial statements

Note 59 : Other Disclosures

₹ in crore

Particulars	31.03.2017	31.03.2016
I. Payment to Auditors		
A. Statutory Auditors		
(1) For Statutory Audit	**2.54**	2.38
(2) For Tax Audit	**0.27**	0.25
(3) For Limited Review	**0.25**	Nil
(4) For Taxation Matters	**1.46**	1.74
(5) Out of pocket expenses	**0.04**	0.01
Total	**4.56**	4.38
B. Cost Auditors		
Audit Fee	**0.05**	0.03
Total	**0.05**	0.03

Note 60

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 61

The group had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of ₹ 12.22 cr 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 62

Netting Off Disclosure

Offsetting financial assets and financial liabilities:

₹ in crore

Particulars	Effects of offsetting on balance sheet		
	Gross Amounts	Gross amount net off in balance sheet	Net amounts presented in financial statements
31 March, 2017			
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**

Notes to the consolidated financial statements

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 63

(a) Figures of the previous year have been regrouped wherever necessary. During the 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 64

Disclosures as required by Indian Accounting Standard (Ind AS) 37 - Provisions

Particulars	Mines reclamation expense			Dealer discount provisions			Indirect taxes and litigations		
	31.03.2017	31.03.2016	1.04.2015	**31.03.2017**	31.03.2016	1.04.2015	**31.03.2017**	31.03.2016	1.04.2015
Carrying amount at the beginning of the year #	**1.05**	Nil	Nil	**Nil**	Nil	Nil	**1.91**	1.91	1.91
Balance acquired on acquisition of subsidiary (Refer note 60)	**24.09**	Nil	Nil	**43.39**	Nil	Nil	**181.82**	Nil	Nil
Currency Translation	**Nil**	Nil	Nil	**Nil**	Nil	Nil	**Nil**	Nil	Nil
Additional provision made during the year	**0.62**	1.05	Nil	**36.84**	Nil	Nil	**11.79**	Nil	Nil
Amounts used during the year	**(0.28)**	Nil	Nil	**(15.42)**	Nil	Nil	**(0.57)**	Nil	Nil
Carrying amount at the end of the year #	**25.48**	1.05	Nil	**64.81**	Nil	Nil	**194.95**	1.91	1.91
Particulars	**Provision for contractor's charges**			**Provision for decommissioning obligations**			**Provision for environment clean up expenses**		
	31.03.2017	31.03.2016	1.04.2015	**31.03.2017**	31.03.2016	1.04.2015	**31.03.2017**	31.03.2016	1.04.2015
Carrying amount at the beginning of the year #	**Nil**	Nil	Nil	**1.66**	1.47	1.47	**19.10**	18.02	18.02
Balance acquired on acquisition of subsidiary (Refer note 60)	**19.09**	Nil	Nil	**Nil**	0.19	Nil	**Nil**	Nil	Nil
Currency Translation	**Nil**	Nil	Nil	**0.05**	Nil	Nil	**(0.39)**	1.08	Nil
Additional provision made during the year	**4.15**	Nil	Nil	**Nil**	Nil	Nil	**Nil**	Nil	Nil
Amounts used during the year	**Nil**	Nil	Nil	**Nil**	Nil	Nil	**(0.31)**	Nil	Nil
Carrying amount at the end of the year #	**23.24**	Nil	Nil	**1.71**	1.66	1.47	**18.40**	19.10	18.02

This includes current and non current portion.

Notes to the consolidated financial statements

Note 65

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
		31.03.2017	31.03.2016	1.04.2015	
Karnavati Holdings Inc.	USA	**100%**	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%	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%	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%	100%	It is engaged in the business of providing railway transportation services for SVM’s products.
Searles Valley Minerals Europe	France	**100%**	100%	100%	It is engaged in the business of selling SVM’s products in the European markets.
Nuvoco Vistas Corporation Ltd.	India	**100%**	-	-	It is engaged in the business of trading and manufacturing of cement, clinker and aggregates.
Rima Eastern Cement Ltd.	India	**100%**	-	-	It is engaged in the business of trading and manufacturing of cement, clinker and aggregates.
Wardha Vaalley Coal Field Pvt. Ltd.	India	**19.14%**	-	-	It is engaged in the business to explore, prospect, develop / exploit, mine, beneficate coal from coal block

B. Associate

(i) Interest in Associate

Name of business	Place of Business / incorporation	Ownership interests held by group			Principal activities
		31.03.2017	31.03.2016	1.04.2015	
FRM Trona Fuels LLC	USA	**49%**	49%	49%	It is engaged in the business of fuel treatment

(ii) Commitments & contingent liabilities

There are no commitments or contingent liabilities as on the reporting date.

Notes to the consolidated financial statements

(iii) Summarised financial information

₹ in crore

Particulars	31.03.2017	31.03.2016	1.04.2015
Current Assets			
Cash & cash equivalents	**0.07**	0.35	0.24
Other Assets	**0.53**	0.68	0.46
Non Current Assets			
Tangible assets	**6.15**	6.61	6.88
Current Liabilities			
Financial liabilities (excluding trade payables)	**1.79**	1.44	1.25

(iv) Reconciliation to carrying amount

₹ in crore

Particulars	31.03.2017	31.03.2016	1.04.2015
Net assets	**4.96**	6.20	6.33
Group's share in%	**49%**	49%	49%
Group's share in ₹	**2.43**	3.04	3.10
Carrying amount of investment	**2.43**	3.04	3.10

(v) Summarised performance

₹ in crore

Particulars	31.03.2017	31.03.2016
Revenue	**175.15**	**151.03**
Cost of goods sold	**(174.93)**	**(150.95)**
Other expenses	**(5.05)**	**(3.64)**
Profit for the year	**(4.83)**	**(3.56)**
Group's share in%	**49%**	**49%**
Group's share in ₹	**(2.36)**	**(1.75)**

C. Joint Venture

(i) Interest in Joint Venture

Name of business	Place of Business / incorporation	Ownership interests held by group			Principal activities
		31.03.2017	31.03.2016	1.04.2015	
Wardha Vaalley Coal Field Pvt. Ltd.	India	**19.14%**	Nil	Nil	It is engaged in the business to explore, prospect, develop / exploit, mine, beneficate coal from coal block

(ii) Summarised Financial Information

₹ in crore

Particulars	31.03.2017
Assets	
Cash & cash equivalents	**0.11**
Other Assets	**(1,309)**
Current Liabilities	
Financial liabilities (excluding trade payables)	**0.36**
Other liabilities	**0.13**

Notes to the consolidated financial statements

(iii) Summarised performance

₹ in crore

Particulars	31.03.2017
Revenue	**0.04**
Expenses	**(0.04)**
Loss for the year	**(0.00)**
% of share	**19.14%**
Profit for the year	**(0.00)**

Note 66

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	USA	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 addittional 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 31.03.2017	As at 31.03.2016	**As at 31.03.2017**	As at 31.03.2016	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Parent:																
Nirma Limited	**45.00%**	78.22%	**4,236.73**	3,796.35	**67.54%**	74.18%	**431.38**	589.50	**-31.44%**	16.61%	**9.00**	13.03	**72.20%**	69.00%	**440.38**	602.53
Subsidiaries:																
Nuvoco Vistas Corporation Ltd.	**41.94%**	0.00%	**3,948.95**	Nil	**-5.21%**	0.00%	**(33.25)**	Nil	**-0.31%**	0.00%	**0.09**	Nil	**-5.43%**	0.00%	**(33.16)**	Nil
Rima Eastern Cement Ltd.	**0.00%**	0.00%	**0.05**	Nil	**0.00%**	0.00%	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil
Karnavati Holdings Inc.	**19.80%**	33.38%	**1,864.53**	1,620.02	**27.02%**	35.63%	**172.58**	283.13	**37.62%**	12.84%	**(10.77)**	10.07	**26.52%**	33.58%	**161.81**	293.20
Searles Valley Minerals Inc.	**12.66%**	19.53%	**1,192.08**	947.78	**39.11%**	21.06%	**249.81**	167.39	**24.07%**	7.51%	**(6.89)**	5.89	**39.82%**	19.84%	**242.92**	173.28
Searles Valley Minerals Europe	**0.04%**	0.09%	**4.22**	4.38	**-0.01%**	-0.01%	**(0.09)**	(0.05)	**0.07%**	0.04%	**(0.02)**	0.03	**-0.02%**	0.00%	**(0.11)**	(0.02)
Searles Domestic Water Company LLC	**0.05%**	0.09%	**4.38**	4.18	**0.05%**	0.06%	**0.30**	0.45	**0.10%**	0.04%	**(0.03)**	0.03	**0.04%**	0.05%	**0.27**	0.48
Trona Railway Company LLC	**4.36%**	8.05%	**410.08**	390.92	**4.45%**	3.05%	**28.45**	24.25	**8.28%**	3.10%	**(2.37)**	2.43	**4.27%**	3.06%	**26.08**	26.68
Associate:																
Foreign																
FRM Trona LLC	**0.03%**	0.06%	**2.43**	3.04	**-0.37%**	-0.22%	**(2.36)**	(1.75)	**0.00%**	0.00%	**Nil**	Nil	**-0.39%**	-0.20%	**(2.36)**	(1.75)
Joint Venture:																
Wardha Vaalley Coal Field Pvt. Ltd.	**0.00%**	0.00%	**(0.38)**	Nil	**Nil**	Nil	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil	**0.00%**	0.00%	**Nil**	Nil
Intercompany elimination and consolidation adjustments	**-23.88%**	-39.42%	**(2,247.93)**	(1,913.30)	**-32.58%**	-33.75%	**(208.12)**	(268.19)	**61.61%**	59.87%	**(17.64)**	46.97	**-37.01%**	-25.33%	**(225.76)**	(221.22)
Grand Total	**100.00%**	100.00%	**9,415.14**	4,853.37	**100.00%**	100.00%	**638.70**	794.73	**100.00%**	100.00%	**(28.63)**	78.45	**100.00%**	100.00%	**610.07**	873.18

Notes to the consolidated financial statements

Note 67

Transition to Ind AS:

These consolidated financial statements, for the year ended March 31, 2017, are the first the group has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the group prepared its consolidated financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in note 1 have been applied in preparing the consolidated financial statements for the year ended March 31, 2017, the comparative information presented in these consolidated financial statements for the year ended March 31, 2016 and the opening Ind AS balance sheet at April 1, 2015 (the "transition date").

In preparing the opening Ind AS balance sheet, the group has adjusted amounts reported in consolidated financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables.

I. Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

A. Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

B. Decommissioning liabilities included in the cost of PPE

A first-time adopter need not to comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind ASs. If a first-time adopter uses this exemption, it shall:

- Measure the liability at the transition date in accordance with Ind AS 37;
- Using the historical risk adjusted discount rate, determine the amount which would have been capitalised when the liability first arose; and
- Compute the amount of depreciation based on the estimated useful life.

Accordingly, the group has elected to apply the exemption for the obligations arising on account of decommissioning cost.

C. Recognised of financial instruments through FVOCI

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The group has elected to apply this exemption for its investment in equity instruments.

D. Deemed cost for investments in equity shares of subsidiaries

Under, Ind AS 101 an entity can determine the value of investment in a subsidiary, associate or joint arrangement as either of the below:

- Cost determined in accordance with Ind AS 27 (i.e. retrospective application of Ind AS 27)
- Fair value at the entity's date of transition to Ind AS
- Previous GAAP carrying amount

Accordingly, the group has elected to carry forward the previous GAAP amounts as the deemed cost for investment in equity shares of subsidiary in the consolidated financial statements.

Notes to the consolidated financial statements

II. Mandatory Exceptions

A. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in financial instruments carried at FVTPL or FVOCI;and
- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost.
- Discounted value of liability on account of decommissioning cost.

B. Classification and measurement of financial assets

Ind AS 101 provides exemptions to certain classification and measurement requirements of financial assets under Ind AS 109, where these are impracticable to implement. Classification and measurement is done on the basis of facts and circumstances existing as on the transition date. Accordingly, the group has determined the classification of financial assets based on facts and circumstances that exist on the transition date.

III. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS required under Ind AS 101.

A. Reconciliation of balance sheet as at April 1, 2015 (Transition Date)

B. (1) Reconciliation of Balance sheet as at March 31, 2016

(2) Reconciliation of Total Comprehensive Income for the year ended March 31, 2016.

C. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016.

D. Adjustments to Statement of Cash Flows.

A. Reconciliation of Consolidated Balance sheet as at 1.04.2015 (Transition Date)

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	67.9	3,291.43	267.43	3,558.86
(b) Capital work-in-progress		359.99	Nil	359.99
(c) Investment property		10.30	Nil	10.30
(d) Goodwill		385.80	(212.77)	173.03
(e) Other Intangible assets		10.35	8.69	19.04
(f) Investment in associates		3.10	Nil	3.10
(g) Financial assets				
(i) Investments	67.1	22.58	32.99	55.57
(ii) Loans		3.05	Nil	3.05
(iii) Others	67.2	19.97	(0.03)	19.94
(h) Deferred tax assets (net)	67.3	Nil	Nil	Nil
(i) Other non-current assets	67.3	204.24	(172.00)	32.24
Total non-current assets		4,310.81	(75.69)	4,235.12

Notes to the consolidated financial statements

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Current Assets				
(a) Inventories	67.4	1,199.47	30.22	1,229.69
(b) Financial Assets				
(i) Investments		105.00	Nil	105.00
(ii) Trade receivables	67.4	786.61	(64.01)	722.60
(iii) Cash and cash equivalents		204.83	Nil	204.83
(iv) Other bank balances	67.2	1.24	3.41	4.65
(v) Loans		211.92	Nil	211.92
(vi) Other financial assets	67.2	8.88	(3.53)	5.35
(c) Current tax assets		95.87	Nil	95.87
(d) Other current assets		176.56	0.69	177.25
Total current assets		2,790.38	(33.22)	2,757.16
TOTAL ASSETS		7,101.19	(108.91)	6,992.28
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	67.5	87.87	(10.00)	77.87
(b) Other equity	67.1 & 67.5	3,886.87	297.25	4,184.12
Equity attributable to equity holders of the parent - Total Equity		3,974.74	287.25	4,261.99
Non-controlling interests		Nil	Nil	Nil
Total equity		3,974.74	287.25	4,261.99
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	67.5 & 67.6	937.21	8.34	945.55
(ii) Other financial liabilities	67.2	116.19	0.03	116.22
(b) Provisions	67.14	112.36	1.47	113.83
(c) Deferred tax liabilities (net)	67.3	587.96	(405.69)	182.27
(d) Other non-current liabilities		11.48	Nil	11.48
Total non-current liabilities		1,765.20	(395.85)	1,369.35
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	67.6	572.00	Nil	572.00
(ii) Trade payables		408.59	Nil	408.59
(iii) Other financial liabilities	67.2	226.86	(0.31)	226.55
(b) Other current liabilities		121.49	Nil	121.49
(c) Provisions		21.71	Nil	21.71
(d) Current tax liabilities		10.60	Nil	10.60
Total current liabilities		1,361.25	(0.31)	1,360.94
Total liabilities		3,126.45	(396.16)	2,730.29
Total Equity and Liabilities		7,101.19	(108.91)	6,992.28

* The presentation requirements under previous GAAP refers from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the consolidated financial statements of the group prepared in accordance with previous GAAP.

Notes to the consolidated financial statements

B.1. Reconciliation of Consolidated Balance sheet as at 31.03.2016

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	67.9	3,314.87	354.34	3,669.21
(b) Capital work-in-progress		639.38	39.17	678.55
(c) Investment property		10.30	Nil	10.30
(d) Goodwill		356.18	(172.77)	183.41
(e) Other Intangible assets		32.15	(11.83)	20.32
(f) Investment in associates		3.04	Nil	3.04
(g) Financial assets				
(i) Investments	67.1	22.10	46.33	68.43
(ii) Loans		2.68	Nil	2.68
(iii) Others	67.2	3.16	(0.06)	3.10
(h) Deferred tax assets (net)		Nil	Nil	Nil
(i) Other non-current assets	67.3	305.46	(166.91)	138.55
Total non-current assets		4,689.32	88.27	4,777.59
Current Assets				
(a) Inventories	67.4	1,247.87	(36.25)	1,211.62
(b) Financial Assets				
(i) Investments	67.1	137.93	2.07	140.00
(ii) Trade receivables	67.4	940.24	(68.66)	871.58
(iii) Cash and cash equivalents		457.82	Nil	457.82
(iv) Other bank balances	67.2	18.29	1.24	19.53
(v) Loans		48.39	Nil	48.39
(vi) Other financial assets	67.2	13.52	(1.46)	12.06
(c) Current tax assets		Nil	Nil	Nil
(d) Other current assets		140.11	0.94	141.05
Total current assets		3,004.17	(102.12)	2,902.05
TOTAL ASSETS		7,693.49	(13.85)	7,679.64
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	67.5	83.04	(10.00)	73.04
(b) Other equity	67.1 & 67.5	4,425.65	354.68	4,780.33
Equity attributable to equity holders of the parent		4,508.69	344.68	4,853.37
Non-controlling interests		Nil	Nil	Nil
Total equity		4,508.69	344.68	4,853.37

Notes to the consolidated financial statements

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	67.5 & 67.6	713.85	8.71	722.56
(ii) Other financial liabilities	67.2	126.12	0.05	126.17
(b) Provisions	67.14	102.48	1.66	104.14
(c) Deferred tax liabilities (net)	67.3	640.41	(368.53)	271.88
(d) Other non-current liabilities		15.71	Nil	15.71
Total non-current liabilities		1,598.57	(358.11)	1,240.46
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	67.6	409.58	Nil	409.58
(ii) Trade payables		550.91	Nil	550.91
(iii) Other financial liabilities	67.2	236.28	(0.42)	235.86
(b) Other current liabilities		178.26	Nil	178.26
(c) Provisions		41.29	Nil	41.29
(d) Current tax liabilities		169.91	Nil	169.91
Total current liabilities		1,586.23	(0.42)	1,585.81
Total liabilities		3,184.80	(358.53)	2,826.27
Total Equity and Liabilities		7,693.49	(13.85)	7,679.64

Notes to the consolidated financial statements

B.2. Reconciliation of total comprehensive income for the year ended 31.03.2016

₹ in crore

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
I. Revenue from Operations (Gross)	67.4	7,280.97	393.18	7,674.15
II. Other income	67.7	97.27	1.25	98.52
III. Total Income (I+II)		7,378.24	394.43	7,772.67
IV. Expenses				
Cost of materials consumed		1,584.17	Nil	1,584.17
Purchase of Traded Goods		16.40	Nil	16.40
Changes in inventories of finished goods, work-in-progress and stock-in-trade	67.4	102.54	(1.64)	100.90
Excise duty	67.4	Nil	587.63	587.63
Employee Benefits Expenses	67.8	731.59	(1.00)	730.59
Finance costs		77.30	0.38	77.41
Depreciation and Amortization Expenses		392.49	(28.44)	364.05
Other Expenses	67.4	3,451.83	(236.76)	3215.07
Total Expenses (IV)		6356.05	320.17	6676.22
V. Profit/(loss) before Exceptional Items and Tax		1022.19	74.26	1096.45
VI. Exceptional Items		1.75	Nil	1.75
VII. Profit/(loss) before Tax		1,020.44	74.26	1,094.70
VIII. Tax expense:				
1. Current Tax		221.17	Nil	221.17
2. Tax expense relating to earlier years		(5.33)	Nil	(5.33)
3. MAT Credit utilised		20.00	Nil	20.00
4. MAT credit entitlement related to earlier years		(14.91)	Nil	(14.91)
5. Deferred Tax	67.3	34.65	44.39	79.04
IX. Profit/(Loss) for the period from continuing operations		764.86	29.87	794.73
X. Profit/(Loss) for the period from discontinued operations		Nil	Nil	Nil
XI. Tax expense of discontinued operations		Nil	Nil	Nil
XII. Profit/(Loss) from Discontinued operations after tax		Nil	Nil	Nil
XIII. Profit/(Loss) for the period		764.86	29.87	794.73
XIV. Other comprehensive income				
A. Items that will not be reclassified to profit or loss	67.8 & 67.11	Nil	13.15	13.15
Income tax related to items that will not be reclassified to profit or loss	67.3 & 67.11	Nil	(0.12)	(0.12)
B. Items that will be reclassified to profit or loss		Nil	65.42	65.42
Income tax related to items that will be reclassified to profit or loss		Nil	Nil	Nil
XV. Total comprehensive income for the period		764.86	108.32	873.18

Notes to the consolidated financial statements

C. Reconciliation of Equity as at 1.04.2015 and as at 31.03.2016

The impact of above Ind AS adjustments is as below: ₹ in crore

Particulars	Footnote ref.	31.03.2016	1.04.2015
Previous GAAP Total equity (A)		4,508.69	3,974.74
Ind AS adjustments			
Deferral of revenue and related cost for DAP / CIF and FOR sales	67.4	(13.81)	(10.85)
Fair valuation of investments in mutual funds	67.7	2.08	Nil
Accounting for NCDs and preference shares at amortised cost	67.5 & 67.6	1.65	1.95
Reclassification of Actuarial gains and losses to OCI	67.8	1.00	Nil
Capitalisation of stores, spares and cyclical cost	67.9	64.46	40.96
Decommissioning obligation	67.14	(1.56)	(1.47)
Reclassification of license fees to plant and machinery	67.16	1.43	Nil
Reversal of goodwill amortised	67.15	52.13	Nil
Depreciation on customer relationships brought back to books	67.15	(2.36)	Nil
Amortisation of mineral reserves	67.16	(1.11)	Nil
Other adjustments (including reclassification of preference shares to liability)	67.5	(10.82)	(10.00)
Deferred tax on the above	67.3	190.17	234.57
Total Adjustments accounted through P&L (B)		283.26	255.16
Other comprehensive income			
Fair valuation of investment in non-group entities	67.5	47.14	32.99
Reclassification of Actuarial gains and losses to OCI	67.8	(1.00)	Nil
Impact on account of Currency fluctuation reserve on Ind AS adjustments		3.89	Nil
Deferred tax on the above	67.3	11.39	(0.89)
Total Adjustments accounted through OCI (C)		61.42	32.10
Total impact on account of Ind AS adjustments (D) = (B) + (C)		344.68	287.26
Total Equity after Ind AS adjustments (E) = (A) + (D)		4,853.37	4,261.99

D. Adjustments to Statement of Cash Flows

Particulars	Footnote ref.	Regrouped previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Net Cash Flow from operating activities	67.1 to 67.15	1,594.45	61.15	1,655.60
Net Cash Flow from investing activities		(659.32)	(78.20)	(737.52)
Net Cash Flow from financing activities		(665.09)	8.84	(656.25)
Net Increase/ (decrease) in cash and cash equivalents		270.04	(8.21)	261.83
Cash and Cash equivalents as at 1st April 2015		206.07	(10.08)	195.99
Cash and Cash equivalents as at 31st March 2016		476.11	(18.29)	457.82

Notes to the consolidated financial statements

67.1 FVTOCI financial assets:

Under previous GAAP, the group accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind-AS, the group has designated such investments as FVTOCI investments. Ind-AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind-AS, difference between the instruments fair value and previous GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.

The breakup of quoted and unquoted investments as on 1.04.2015 are details as below:

₹ in crore

Name of Investments	Book Value	Market Value		Increase/ (Decrease)
		Quoted	Unquoted	
Mahanagar Telephone Nigam Ltd.	0.09	0.15	Nil	0.06
Gujarat Heavy Chemicals Ltd.	1.25	2.31	Nil	1.06
Tamilnadu Petro Products Ltd.	0.87	1.40	Nil	0.53
Torrent Pharmaceuticals Ltd.	12.09	41.92	Nil	29.83
Shreyans Industries Ltd.	0.00	0.00	Nil	(0.00)
Reliance Communication Ltd.	0.51	0.22	Nil	(0.29)
Reliance Industries Ltd.	0.87	0.82	Nil	(0.04)
Gold plus glass industry Ltd.	6.60	Nil	6.23	(0.37)
The Kalupur Commercial Co-operative Bank Ltd.	0.14	Nil	1.54	1.40
Enviro Infrastructure group Limited	0.10	Nil	0.93	0.83
Increase/ (decrease) before impact of deferred tax				33.00
Deferred Tax impact on quoted investments	Nil	Nil	Nil	(0.05)
Deferred Tax impact on unquoted investments	Nil	Nil	Nil	(0.19)
Increase/ (decrease) after impact of deferred tax	22.52	46.82	8.70	32.77

67.2 Reclassification of interest accrued

Under previous GAAP, group has invested in fixed deposits with the banks & the interest is accrued on the same at each reporting date. Under Ind AS Fixed deposits are to be reported at amortised cost with reclassification of interest accrued but not due with fixed deposits.

Further, under previous GAAP, group has non convertible debentures and trade deposits & the interest is accrued on the same at each reporting date.

Under Ind AS, these are to be reported at amortised cost with reclassification of interest accrued but not due with respective liabilities.

67.3 Deferred tax assets (net) :

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Further, group has recognised MAT credit entitlement as deferred tax assets.

The changes in deferred tax liability is as follows: ₹ in crore

Particulars	Footnote ref.	31.03.2016	1.04.2015
Sales on FOR terms deferred	67.4	4.98	3.89
MAT credit entitlement	67.3	166.91	172.00
Others		196.64	229.79
Total		368.53	405.68

Notes to the consolidated financial statements

67.4 Revenue recognition:

Excise duty - Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods for the financial year 2015-16 under Ind AS has increased by ₹ 587.63 cr with a corresponding increase in other expense.

Timing of revenue recognition - Under previous GAAP, goods sold on FOR terms were recorded at the time of dispatch. However, under Ind AS, revenue is to be recognised based on transfer of risk and reward to customers. This has resulted in increase in inventories and corresponding reduction in sales, cost of goods sold and profit margin.

Cash incentives - Under previous GAAP, cash incentives provided to customers were recorded under Other expenses. Under Ind AS, all such cash incentives given to customers are recorded net off revenue. This has resulted in reduction in sales and other expenses and will have no impact on profit.

Non cash incentives - Under Ind AS, revenue attributable to open schemes at the reporting date is to be deferred along with the corresponding costs.

67.5 Non convertible preference shares:

The group has issued redeemable non cumulative, non convertible preference shares. The preference shares carry fixed cumulative dividend which is non-discretionary. Under previous GAAP, the preference shares were classified as equity at face value of the proceeds. Under Ind-AS, these are considered to be debt instruments comprising of liability and equity components which have been identified using appropriate interest rate.

67.6 Interest bearing loans and borrowings

Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

67.7 FVTPL financial assets:

Under previous GAAP, the group accounted for short term investments in mutual funds as investment measured at cost . Under Ind-AS, the group has designated such investments as FVTPL investments. Ind-AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind-AS, there was no difference between the fair value of instruments and carrying amount of previous GAAP. Any difference between the instruments fair value and Indian GAAP carrying amount, after the date of transition has been recognised as gain/(loss) in statement of profit and loss.

67.8 Employee benefits :

Both under previous GAAP and Ind-AS, the group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [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.

67.9 Capital spares :

Under previous GAAP, the group accounted for capital spares as inventory till consumption when they were capitalised and depreciated over the remaining useful life of the asset. Under Ind AS, capital spares having a useful life of more than one year and meeting the definition of PPE are required to be capitalised. Consequential depreciation is charged from the date of purchase. Accordingly the group has identified such spares and depreciated the same over the respective useful life from the date of purchase.

67.10 Retained Earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

67.11 Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

67.12 Bank overdrafts

Under Ind AS, bank overdrafts repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, bank overdrafts were considered as part of borrowings and movements in bank overdrafts were shown as part of financing activities.

67.13 Investment property

Under previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet.

67.14 Decommissioning liability

Under previous GAAP, the group was not providing for constructive obligation arsing from contractual terms and cost of decommissioing was expensed as incurred. However, under Ind AS, it is required to provide for constructive obligation and hence, the group has provided for the same. In accordance with Ind ASs and based on the optional exemption, a provision for decommissioning cost in respect of mines on the leased land, has been recognised. The group has claimed depreciation on the assets capitalised and unwining of discount on decommissioning provision is charged to statement of profit and loss account.

67.15 Goodwill, trademarks and customer relationships

Under previous GAAP, Nirma Ltd. acquired SVM and the difference between consideration paid and carrying value of net assets acquired was accounted as goodwill which is being amortised over a period of 15 years. Under Ind AS, carrying value of goodwill on transition date could be carried forward based on exemption and tested for impairment at each reporting date. Amortisation charged after the transition date is reversed. Under Ind AS, trademarks and customer relationships needs to be recognized even though the past business combinations are not restated.

67.16 Recalssification of license fees to plant and machinery :

Under previous GAAP, the company accounted for license fees as an intangible asset which was amortised over a period of 4 years. Under Ind AS this has been reclassified to plant and machinery and the same has been depreciated over a period of 25 years. The consequential impact of the same has been accounted in the year of acquisition i.e. 2015-16.

Notes to the consolidated financial statements

Note No- 68

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 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.

(C) Information about Primary Business Segment as at and for the year ended on 31st March,2017 and 31st March,2016

₹ in crore

	Cement		Soaps & Surfactants		Processed Minerals		Other Businesses		Unallocated		Grand Total	
	2016-2017	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016
Segment revenue												
External	**3491.15**	501.26	**4338.05**	4303.33	**2589.17**	2510.99	**383.26**	358.57	**Nil**	Nil	**10801.63**	7674.15
Intra segment	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil
Inter segment (*)	**13.20**	11.20	**Nil**	2.01	**Nil**	Nil	**3.12**	Nil	**Nil**	Nil	**16.32**	13.21
Total revenue	**3491.15**	501.26	**4338.05**	4303.33	**2589.17**	2510.99	**383.26**	358.57	**Nil**	Nil	**10801.63**	7674.15
Segment Result												
Segment result	**207.92**	(104.88)	**937.91**	930.62	**270.89**	278.22	**94.54**	77.79	**Nil**	Nil	**1511.26**	1181.75
Unallocated expenditure net of unallocated income	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**75.25**	54.09	**75.25**	54.09
Interest expenses	**221.44**	1.20	**13.28**	11.63	**5.07**	5.29	**0.08**	0.10	**282.80**	59.19	**522.67**	77.41
Interest income	**5.24**	1.80	**4.17**	4.15	**Nil**	Nil	**0.01**	0.46	**59.42**	39.79	**68.84**	46.20
Profit/(loss) before share of net profits of investments accounted for using equity method, exceptional Items and tax	**(8.28)**	(104.28)	**928.80**	923.14	**265.82**	272.93	**94.47**	78.15	**(298.63)**	(73.49)	**982.18**	1096.45
Share of profits/(loss) in associate /Joint Venture	**Nil**	Nil	**Nil**	Nil	**(2.36)**	(1.75)	**Nil**	Nil	**Nil**	Nil	**(2.36)**	(1.75)

₹ in crore

	Cement		Soaps & Surfactants		Processed Minerals		Other Businesses		Unallocated		Grand Total	
	2016-2017	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016
Profit/(loss) exceptional Items and tax	**(8.28)**	(104.28)	**928.80**	923.14	**263.46**	271.18	**94.47**	78.15	**(298.63)**	(73.49)	**979.82**	1094.70
Exceptional Items	**110.86**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**110.86**	Nil
Profit before tax	**(119.14)**	(104.28)	**928.80**	923.14	**263.46**	271.18	**94.47**	78.15	**(298.63)**	(73.49)	**868.96**	1094.70
Tax Expenses												
- Current tax	**28.30**	Nil	**Nil**	Nil	**12.87**	46.17	**Nil**	Nil	**135.50**	175.00	**176.67**	221.17
- Mat credit utilised/ (Entitlement)	**(28.30)**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(111.00)**	20.00	**(139.30)**	20.00
- Deferred tax	**60.17**	Nil	**Nil**	Nil	**2.19**	19.79	**Nil**	Nil	**224.04**	59.25	**286.40**	79.04
- Tax expense relating to prior years	**(45.75)**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(1.00)**	(5.33)	**(46.75)**	(5.33)
- Mat credit Entitlement related to earlier years	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**Nil**	Nil	**(46.76)**	(14.91)	**(46.76)**	(14.91)
Profit/(Loss) for the Period	**(133.56)**	(104.28)	**928.80**	923.14	**248.40**	205.22	**94.47**	78.15	**(499.41)**	(307.50)	**638.70**	794.73
Other information												
Segment assets	**16880.48**	1744.69	**4237.45**	3021.71	**2442.06**	2296.72	**267.97**	276.07	**223.62**	337.41	**24051.58**	7676.60
Investment in Associate /Joint Venture	**Nil**	Nil	**Nil**	Nil	**2.43**	3.04	**Nil**	Nil	**Nil**	Nil	**2.43**	3.04
Segment liabilities	**7067.25**	98.63	**587.49**	568.21	**641.18**	708.62	**9.92**	5.86	**6333.03**	1444.95	**14638.87**	2826.27
Capital expenditure	**157.96**	131.02	**1089.64**	458.88	**132.61**	99.97	**2.15**	59.08	**1.59**	0.40	**1383.95**	749.35
Depreciation and amortisation	**261.90**	68.40	**154.13**	192.09	**88.91**	76.45	**19.88**	15.53	**4.73**	11.58	**529.55**	364.05
Non-cash expenses other than depreciation and amortisation	**108.56**	0.29	**52.81**	1.21	**0.28**	0.08	**0.03**	Nil	**1.88**	0.43	**163.56**	2.01

* Total Gross Turnover is after elimination of Inter segment turnover of Rs.16.32 Crores. (Previous Year Rs.13.21 Crores)

(D) Summary of Segment Assets and Liabilities as at 1st April,2015

₹ in crore

	Assets	Liabilities
Cement	1761.37	116.21
Soaps & Surfactants	2554.67	956.31
Processed Minerals	1943.00	623.23
Other Businesses	217.90	31.49
Unallocated	515.34	1003.05
TOTAL	**6992.28**	**2730.29**

(E) Information about secondary geographic segment

₹ in crore

	India		USA		Rest of the world		Total	
	2016-2017	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016
Revenue*								
External	**8121.89**	5133.38	**1261.53**	1170.28	**1418.21**	1370.49	**10801.63**	7674.15
Inter segment	**7.65**	15.28	**Nil**	**Nil**	**Nil**	Nil	**7.65**	15.28
Total revenue	**8121.89**	5133.38	**1261.53**	1170.28	**1418.21**	1370.49	**10801.63**	7674.15
Other information**								
Carrying cost of segment non current assets@	**17810.34**	3629.78	**1094.99**	1070.56	**Nil**	Nil	**18905.33**	4700.34
Carrying cost of Segment Assets	**21611.46**	5377.59	**2442.55**	2302.05	**Nil**	Nil	**24054.01**	7679.64
Addition to Property, Plant & Equipment including intangible Assets	**1251.34**	649.38	**132.61**	99.97	**Nil**	Nil	**1383.95**	749.35

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets, Investments accounted for using equity method and deferred tax asset

(F) None of the entity's external customers account for 10 per cent or more of an entity's revenue.

(G) Refer note no.60 for acquisition of subsidiary.

As per our report of even date

For Hemanshu Shah & Co.
Chartered Accountants
Firm Registration No.122439W

H. C. SHAH
Proprietor
Membership No.36441

Place : Ahmedabad
Date : May 25, 2017

For and on behalf of the Board

HIREN K. PATEL
Managing Director

Dr. K. K. PATEL
Chairman

PARESH SHETH
Company Secretary

R. J. JOSHIPARA
Chief Financial Officer

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

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.