ULTRATECH CEMENT LANKA (PRIVATE) LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017

KPMG
(Chartered Accountants)
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AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR GROUP PURPOSE

UltraTech Cement Lanka (Private) Limited

Year end: 31st March 2017

Currency: INR

We have audited, for the purpose of your audit of the group financial statements of UltraTech Cement Ltd, the General purpose financial statements of UltraTech Cement Lanka (Private) Limited as of for the year ended 31st March 2017.

Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation and presentation of the financial statements in accordance with policies and instructions contained in the group accounting policies and principles followed by UltraTech Cement Limited. This responsibility includes the preparation of these financial statements that give a true and fair view in accordance with International Accounting Standards, and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements of UltraTech Cement Lanka (Private) Limited as of 31st March 2017, and for the year then ended has been prepared, in all material respects, in accordance with the group accounting policies and principles followed by the UltraTech Cement Limited.

Restriction on use and distribution

These financial statements has been prepared for purpose of providing information to UltraTech Cement Limited to enable it to prepare the consolidated financial statements of the group. This report is intended solely for your information and use in conjunction with the audit of the group financial statements of UltaTech Cement Limited and should not be used by anyone for any other purpose.

CHARTERED ACCOUNTANTS
07th April 2017
Colombo, Sri Lanka

KPMG, a Sri Lankan partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

M.R. Mihular FCA
T.J.S. Rajakarier FCA
Ms. S.M.B. Jayasekara ACA
G.A.U. Karunaratne FCA
R.H. Rajan ACA
P.Y.S. Perera FCA
W.W.J.C. Perera FCA
W.K.D.C Abeyrathne FCA
R.M.D.B. Rajapakse FCA
C.P. Jayatilake FCA
Ms. S. Joseph FCA
S.T.D.L. Perera FCA
Ms. B.K.D.T.N. Rodrigo FCA

Principals - S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA

ULTRATECH CEMENT LANKA (PVT) LTD.

BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.		INR As at March 31, 2017	INR As at March 31, 2016	INR As at April 01, 2015
ASSETS					
Non-Current Assets					
Property, Plant and Equipments	2	284,576,019		310,977,414	196,324,220
Capital Work-in-Progress	2	-		14,417,911	64,255,216
Financial Assets					
Other Financial Assets	3	-		22,755,000	70,185,289
Total Non-Current Assets			284,576,019	348,150,325	330,764,725
Current Assets					
Inventories	4	112,474,850		145,760,048	183,442,129
Financial Assets					
Investment others	5	50,559,435		50,680,487	70,742,202
Trade Receivable	6	471,583,662		299,473,804	291,865,952
Cash and cash equivalents	7	18,349,010		37,819,300	18,348,661
Bank Balances other than Cash and Cash Equivalents	8	214,546,416		171,865,212	81,882,837
Other Financial Assets	9	147,745		180,902	228,102
Other Current Assets	10	129,361,940		95,861,212	88,037,034
Total Current Assets			997,023,057	801,640,966	734,546,917
TOTAL ASSETS			1,281,599,076	1,149,791,291	1,065,311,642
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	11	212,765,957		227,550,000	233,950,964
Other Equity		653,452,424		580,067,018	577,424,395
			866,218,381	807,617,018	811,375,359
LIABILITIES					
Non-current liabilities					
Deferred Tax Liabilities (Net)	12	44,031,265		40,918,356	32,584,868
Non-Current Provisions	13	13,159,739		12,658,733	13,935,227
			57,191,004	53,577,089	46,520,095
Current Liabilities					
Financial Liabilities					
Trade Payables	14	279,629,204		229,343,100	120,321,013
Other Current Liabilities	15	39,739,333		29,479,613	31,637,664
Short-term Provisions	13	1,717,242		1,768,841	1,847,652
Current Tax Liabilities		37,103,910		28,005,630	53,609,860
			358,189,690	288,597,184	207,416,188
TOTAL EQUITY & LIABILITIES			1,281,599,076	1,149,791,291	1,065,311,642
Significant Accounting Policies	1				

The accompanying Notes referred to integral part of the Financial Statements

In terms of our report attached.

For

Partner
Chartered Accountants
Date: 07.04.2017

Director

Director

KPMG
07 APR 2017
CHARTERED ACCOUNTANTS

ULTRATECH CEMENT LANKA (PVT) LTD.

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

	Notes		INR April 16 - March 17	INR April 15 - March 16
Revenue				
Sale of Products & Services (Gross)	16	5,755,742,445		5,081,331,110
Operating Income	17	49,517,974		26,032,881
Revenue from Operations (Net)			5,805,260,419	5,107,363,991
Other Income	18		16,554,683	16,906,039
Total Revenue (I)			5,821,815,103	5,124,270,030
Expenses				
Cost of Raw Materials Consumed	19		5,025,238,454	4,303,778,794
Change in Inventories of Finished Goods,Work-in-Progress and Stock-in-Trade	20		(32,092,944)	67,610,605
Employee Benefits Expenses	21		85,002,917	80,084,088
Power and Fuel Consumed			16,417,061	23,462,622
Freight & Forwarding Expenses	22		80,855,782	51,159,584
Other Expenses	23		216,328,196	215,526,016
			5,391,749,467	4,741,621,709
Profit before interest, tax, depreciation and obsolescence (PBIDT) (I)-(II)			430,065,635	382,648,320
Depreciation and Obsolescence expense	24		46,051,621	33,505,075
Profit before Tax Expenses			384,014,014	349,143,246
Income Tax Expenses				
Provision for Current Tax			89,667,871	85,997,552
Deferred Tax			6,164,900	9,547,316
Profit for the Year			288,181,243	253,598,378
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit & Loss				
(ii) Income Tax Relating to Items that will not be reclassified to profit & Loss				
B (i) Items that will be reclassified to profit & Loss			1,276,534	1,370,858
(ii) Income Tax Relating to Items that will be reclassified to profit & Loss			(357,429)	(383,840)
Other Comprehensive Income for the year			919,104	987,018
Total Comprehensive Income for the year			289,100,347	254,585,396
Earnings Per Equity Share (Face Value ` 10 each)				
Basic (in `)			5.76	5.07

Accounting Policies

Accompanying Notes are integral part of Financial Statements

In terms of our report attached.

For

Partner

Chartered Accountants

Date: 07.04.2017

Director

Director

KPMG
07 APR 2017
CHARTERED ACCOUNTANTS

Ultratech Cement Limited

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

A . Equity Share Capital

For the year ended March 31, 2017 INR

Balance as at April 01, 2016	Changes in equity share capital during the year	Balance as at March 31,2017
227,550,000	(14,784,043)	212,765,957

For the year ended March 31, 2016

Balance as at April 01, 2015	Changes in equity share capital during the year	Balance as at March 31,2016
233,950,964	(6,400,964)	227,550,000

B. Other Equity

For the year ended March 31, 2017 INR

Particulars	Exchange Variation Reserve	Reserves & Surplus	Other Items of Other Comprehensive Income (Remeasurement gains/(losses) on defined benefit plan	Total Equity
		Retained Earnings		
Balance as at April 01, 2016	36,758,785	543,308,232	-	580,067,018
Profit for the year	(45,260,395)	288,181,243		242,920,848
Remeasurement gain/loss on defined benefit plan	-	-	-	-
Other Comprehensive Income/(loss) for the year	-	919,104	-	919,104
Total Comprehensive Income/(loss) for the year	(8,501,610)	832,408,579	-	823,906,969
Dividends	-	(170,454,545)	-	(170,454,545)
Balance as at March 31,2017	**(8,501,610)**	**661,954,033**	**-**	**653,452,424**

Statement of Changes in Equity for the year ended March 31,2016

INR

Particulars	Exchange Variation Reserve	Reserves & Surplus	Other Items of Other Comprehensive Income (Remeasurement gains/(losses) on defined benefit plan	Total Equity
		Retained Earnings		
Balance as at April 01, 2015	53,201,560	524,222,836		577,424,396
Profit for the year	(16,442,775)	253,598,378		237,155,603
Remeasurement gain/loss on defined benefit plan	-	-		-
Other Comprehensive Income/(loss) for the year	-	987,018	-	987,018
Total Comprehensive Income/(loss) for the year	36,758,785	778,808,231	-	815,567,017
Dividends	-	(235,500,000)	-	(235,500,000)
Balance as at March 31,2016	**36,758,786**	**543,308,232**	**-**	**580,067,018**

ULTRATECH CEMENT LANKA (PVT) LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	INR March 31, 2017	INR March 31, 2016
A Cash Flow from Operating Activities:		
Profit Before tax	**384,014,014**	350,514,104
Adjustments for:		
Depreciation and Obsolescence	**46,051,621**	33,505,075
Provision for Retirement Benefits	**3,051,287**	1,828,985
Interest and Dividend Income	**(16,267,551)**	(15,598,701)
Unrealised Foreign Exchange (Gain)/Loss	**(46,892,877)**	(15,437,498)
(Profit)/Loss on Sale of Fixed Assets	**997,224**	(1,307,338)
Operating Profit before Working Capital Changes	**370,953,718**	353,504,628
Adjustments for:		
(Increase)/decrease in Inventories	**33,285,199**	37,682,080
(Increase)/decrease in Sundry Debtors	**(172,109,858)**	(10,540,941)
(Increase)/decrease in Loans and Advances	**(33,467,570)**	(7,776,979)
Increase/(decrease) in Trade Payables and Other Liabilities	**60,545,823**	109,797,125
Cash Generated from Operations	**259,207,312**	482,665,914
Taxes paid	**(78,363,082)**	(111,362,140)
Retiring gratuity paid	**(293,427)**	(2,784,728)
Net Cash Generated from Operating Activities (A)	**180,550,802**	368,519,045
B Cash Flow from Investing Activities:		
Purchase of Fixed Assets	**(27,452,697)**	(111,782,504)
Proceeds on disposal of property, plant and equipment	**1,423,751**	5,125,766
Interest and Dividend Received	**16,267,551**	15,598,701
Net Cash used in Investing Activities (B)	**(9,761,395)**	(91,058,036)
C Cash Flow from Financing Activities:		
Dividend Paid	**(170,454,545)**	(235,500,000)
Net Cash Generated / (Used) from Financing Activities (C)	**(170,454,545)**	(235,500,000)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	**334,863**	41,961,009
Cash and Cash Equivalents at the Beginning of the Year	**283,119,999**	241,158,989
Cash and Cash Equivalents at the End of the Year	**283,454,862**	283,119,999

Notes:

1. Purchase of fixed assets includes movements of capital work-in-progress during the year.

2. Cash and cash equivalents represent cash and bank balances.

Accounting Policies and Notes on Accounts **1**

Schedule referred above form an integral part of the Accounts.

In terms of our report attached.

For

.....	.....	.....
Partner	**Director**	**Director**
Chartered Accountants		

KPMG 07 APR 2017 CHARTERED ACCOUNTANTS

NOTES TO FINANCIAL STATEMENTS

Note 1 Company Overview & Significant Accounting Policies:

Company Overview

UltraTech Cement Lanka (Pvt) Limited ("Company") is a Private Limited Liability Company incorporated and domiciled in Sri Lanka. The Company was incorporated under the Companies Act, No. 07 of 2007. The registered office and the principal place of business are situated at No 81/11/1, New Nuge Road, Peliyagoda, Kelaniya. The Company is engaged in the importing naked cement and marketing the same in 50kg bags and in bulk form.

Significant Accounting Policies

(i) Statement of Compliance

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards)(Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The Financial Statements for the year ended March 31, 2017 are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as on April 1, 2015 and comparative figures for the year ended March 31, 2016 are also in compliance with Ind AS. Details of adjustments to the Company's financial statements and first time adoption exemptions availed by the Company pursuant to transition to Ind AS is highlighted in Note No XXX.

(ii) Basis of Preparation & Presentation:

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

a. Derivative Financial Instruments
b. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
c. Assets held for sale – measured at the lower of its carrying amount and fair value less costs to sell;
d. Plan Assets of Employee's Defined Benefit Plan; and

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The Financial statements are prepared in Sri Lankan Rupees which is the functional currency of the Company and converted to Indian Rupees.

Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

a. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

b. It is held primarily for the purpose of trading; or it is expected to realise the asset within twelve months after the reporting period; or

c. The asset is a cash or equivalent unless it is 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.

Similarly, a liability is classified as current if:

a. It is expected to be settled in the normal operating cycle; or it is held primarily for the purpose of trading; or

b. It is due to be settled within twelve months after the reporting period; or

c. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(iii) Use of Estimates:

The preparation of financial statements in conformity with the Ind AS requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(iv) Property, Plant & Equipment (PPE):

Property Plant and Equipment are stated at cost less accumulated depreciation, amortisation and impairment loss (if any), net of Cenvat wherever claimed. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management, including relevant borrowing costs on qualifying asset and any expected costs of decommissioning.

When significant parts of PPE are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance costs are recognized in the statement of profit & loss as incurred.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

(v) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(vi) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of property, plant & equipment over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company.

The Company has componentised its PPE and has separately assessed the life of major components.

In case of certain class of PPE, the Company uses different useful life than those prescribed in Schedule II to the Act. The useful life has been assessed based on technical advice, taking into account the nature of the PPE, the estimated usage of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of PPE.

Such class of assets and their estimated useful lives are as under:

No	**Nature of** property, plant & equipment	**Useful life of the** property, plant & equipment
1	Building	25 Years
2	Plant & machinery	18 Years
3	Lab Equipment	06 Years
4	Electronic Installation	18 Years
5	Office Equipment	04 Years
6	Motor Cars	05 Years
7	Motor Cycles	05 Years
8	HT Power line	18 Years
9	Computers	05 Years
10	Furniture and Fixtures	06 Years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(vii) Intangible Assets and Amortisation:

a) **Internally generated Intangible Assets; Research and Development expenditure:**
Revenue expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

b) **Intangible Assets acquired separately:**
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

c) **Class of intangible assets and their estimated useful lives are as under:**

No	Nature of property, plant & equipment	Useful life of the property, plant & equipment
1	Software	3 Years

(viii) Non-current assets (or disposal groups) classified as held for sale:

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell, if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

To classify any Asset as "Asset held for sale" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for sale" when they are material.

(ix) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(x) Inventories:

Inventories are valued as follows:

a) **Raw materials, fuel, stores & spare parts and packing materials:**

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.

b) Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

c) Waste / Scrap:

Waste / Scrap inventory is valued at NRV.

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

(xi) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

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

(xii) Government Grants and Subsidies:

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable towards capital investments under State Investment Promotion Scheme are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(xiii) Provisions and Contingent Liabilities and Contingent Assets:

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, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss account as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are neither recognized nor disclosed, in the financial statements.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

(xiv) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.

(xv) Lease as lessee:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lessee. All other leases are classified as Operating Leases.

Operating Lease Lease rentals are charged to the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Lease: Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

(xvi) Employee benefits

Retirement benefit costs and termination benefits

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the

Statement of Profit or Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(xvii) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss account.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(xviii) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xix) Foreign Currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Translation to the presentation currency

The results and financial position of an entity whose functional currency is different from presentational currency is translated as follow:

a. assets, liabilities and components of equity, other than in respect of the current year's income and expense for each statement of financial position presented shall be translated at closing rate as at the reporting date

b. income and expense for each statement of profit or loss and other comprehensive income shall be translated at exchange rate at the date of the transaction.

(xx) Financial Instruments:

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

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from

the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss (herein after referred to as "FVTPL"on the basis of following:

(a) the entity's business model for managing the financial assets, and
(b) the contractual cash flow characteristics of the financial asset.

Amortised Cost:
A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

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

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

(i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

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

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

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

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

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

A financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedging relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss

Other Financial Liabilities:

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

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

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss

allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(xxi) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand, short-term deposits with banks and short-term highly liquid investments that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(xxii) Financial liabilities and equity instruments:

a) Classification as debt or equity

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

b) Equity instruments

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

(xxiii) Segment Reporting:

a) Identification of Segments:

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geography in which major operating divisions of the Company operate.

b) Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(xxiv) CAPITAL EXPENDITURE COMMITMENTS

There were no contracts for capital expenditure of material amounts approved or contracted for as at reporting date

(xxv) CONTINGENT LIABILITIES

The Sri Lankan Customs commenced an inquiry on the allegation that dividends declared by the Company and remitted to the Parent Company represents part of settlement in respect of the cement imported by the Company and alleged that additional duty is payable by the Company. The Sri Lanka Customs have not provided a basis for any value to be attributed as alleged additional duty payable.

The Company filed a Writ Application in the Court of Appeal in seeking inter alia to quash the aforesaid decision by Sri Lanka Customs to hold the said inquiry. However, the application was dismissed by the Court of Appeal on 28th March 2014. The Company filed a Special Leave Application in the Supreme Court against the judgment of the Court of Appeal in the above Writ Application which is currently pending before the Supreme Court and fixed to be mentioned before Supreme Court on 5th May 2017.

NOTES TO FINANCIAL STATEMENTS

The Company contends there is no basis to include dividends paid in the value of goods and consequently intend to resist the aforesaid contention of the Customs at any inquiry. Hence, no provision for the alleged additional duty payable is provided in the financial statements.

There were no other material contingent liabilities as at the reporting date which require adjustments or disclosure in the accounts, except for the matters stated above.

Notes to Financial Statements (Contd.)

Note 1: Approval of Financial Statements:

The financial statements were authorized for issue in accordance with a resolution of the directors on 07th April, 2017.

Note 1.1 -Employee Benefits:

(A) Defined Benefit Plans as per Actuarial Valuation:

Gratuity:

The gratuity benefits payable to the employees are based on employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company.

Pension:

The Company doesn't have any specified scheme of pension for it's employees.

Post-Retirement Medical Benefits:

The Company doesn't have any specified scheme of post retirement medical benefits.

` in INR

	Particulars	As at March 31, 2017			As at March 31, 2016		
		Gratuity (Not Funded)	**Pension**	**Post-Retirement Medical Benefits**	Gratuity (Not Funded)	Pension	Post - Retirement Medical Benefits
(i)	**Change in defined benefit obligation**						
	Opening Balance of Present value of Defined Benefit Obligation	**14,427,575**			15,815,438		
	Adjustment of: Current Service Cost	**1,610,288**			1,769,979		
	Interest Cost	**1,440,999**			1,429,864		
	Re measurements due to:						
	Actuarial loss / (gain) arising from change in Financial Assumptions	**(1,331,029)**			(947,739)		
	Actuarial loss / (gain) arising on account of Experience Changes	**54,495**			(423,119)		
	Benefits Paid / Payable /Other	**(1,325,347)**			(3,216,849)		
	Closing Balance of Present value of Defined Benefit Obligation	**14,876,981**			14,427,575		
(ii)	**Change in Fair Value of Assets**						
	Opening Balance of Fair Value of Plan Assets	-			-		
	Adjustment of: Expected Return on Plan Assets	-			-		
	Re measurements due to:						
	Actual Return on Plan Assets less interest on Plan Assets	-			-		
	Contribution / Paid by the employer	293,427			2,784,728		
	Benefits Paid	(293,427)			(2,784,728)		
	Closing Balance of Fair Value of Plan Assets	-			-		
(iii)	**Net Asset / (Liability) recognised in the Balance Sheet**						
	Present value of Defined Benefit Obligation	**(14,876,981)**			(14,427,575)		
	Fair Value of Plan Asset	-			-		
	Net Asset / (Liability) in the Balance Sheet	**(14,876,981)**			(14,427,575)		
(iv)	**Expenses recognised in the Statement of Profit and Loss**						
	Current Service Cost	**1,610,288**			1,769,979		
	Interest Cost	**1,440,999**			1,429,864		
	Expected Return on Plan Assets				-		

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	Total Expense	**3,051,287**			3,199,844		
	Total expenses charged to the Statement of Profit and Loss	**3,051,287**			3,199,844		

` in INR

	Particulars	As at March 31, 2017			As at March 31 , 2016		
		Gratuity (Not Funded)	**Pension**	**Post-Retirement Medical Benefits**	Gratuity (Not Funded)	Pension	Post - Retirement Medical Benefits
(v)	**Expenses recognised in Other Comprehensive Income (OCI):**						
	Opening Amount recognized in OCI	**(1,370,858)**			-		
	Re measurements during the period due to						
	- Changes in Financial Assumptions	**(1,331,029)**			(947,739)		
	- Experience Adjustments	**54,495**			(423,119)		
	- Actual return on Plan assets less interest on plan assets	-			-		
	Closing amount recognised in Other Comprehensive Income (OCI):	**(2,647,392)**			(1,370,858)		
(vi)	**Maturity profile of defined benefit obligation:**						
	Within the next 12 months	**1,505,905**			1,777,394		
	Between 2 and 5 years	**8,523,517**			8,823,097		
	Between 6 and 9 years	**15,135,078**			7,256,398		
	10 Years and above	**2,396,885**			10,158,742		
(vii)	**Quantitative sensitivity analysis for significant assumptions as below:**						
	Increase/(Decrease) on present value of defined benefits obligation at the end of the year						
	One percentage point increase in discount rate	**(725,490)**			(818,001)		
	One percentage point decrease in discount rate	**807,667**			915,746		
	One percentage point increase in salary escalation rate	**794,623**			881,956		
	One percentage point decrease in salary escalation rate	**(727,122)**			(802,966)		
	One percentage point increase in employee turnover rate	**(148,243)**			(223,419)		
	One percentage point decrease in employee turnover rate	**139,921**			207,843		
(viii)	**Actuarial Assumptions:**						
	Discount Rate (p.a.)	**11.5%**			10%		
	Expected Return on Plan Assets (p.a.)				-		
	Turnover Rate	Age: 20 25 30 35 40 45 50 Turnover: 10.0% 10.0% 10.0% 7.5% 5.0% 2.5% 1.0%					
	Mortality tables	**GA 1983 Mortality Table** Selected Age 20 25 30 35 40 45 50 55 Rate for Male 0.0377% 0.0464% 0.0607% 0.0860% 0.1238% 0.2183% 0.3909% 0.6131% Rate for Female 0.0189% 0.0253% 0.0342% 0.0476% 0.0665% 0.101% 0.1647% 0.2541%					
	Salary Escalation Rate (p.a.)	**10%**			10%		
	Retirement age : Management -	**55**			55		

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Non-Management-	55			55		
Leaving Service: Age : 21-44 Age: 45 & above	- -			- -		

* The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9.5 years (March 16: 9.5 years)

** These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

@ The plan does not invest directly in any property occupied by the company nor in any financial securities issued by the company.

(ix) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(B) Defined Contribution Plans:

Amount recognized as an expense and included in **Note 21** under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ` 0.31 Crores (Previous Year ` 0.18 Crores).

Note 1.2 - Segment Reporting:

The Company is exclusively engaged in the business of cement. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating segments applicable to the Company.

Note 1.3 - Disclosure of related parties / related party as required by Ind AS 24 "Related party disclosures:

(A) List of Related Parties:

Name of the Related Party	Country of Incorporation	% Shareholding and Voting Power		
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
(I) Holding Company: UltraTech Cement Limited	India		80%	

(a) The following transactions were carried out with the related parties in the ordinary course of business:

` in INR

Nature of Transaction/Relationship	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015
Purchase of Goods:			
Holding Company:			
UltraTech Cement Limited	**3,134,303,306**	2,525,736,060	2,293,215,558
Total	**3,134,303,306**	**2,525,736,060**	**2,293,215,558**
Receiving of Services:			
Holding Company:			
UltraTech Cement Limited	**522,651,711**	428,811,960	277,311,336
Total	**522,651,711**	**428,811,960**	**277,311,336**
Rendering of Services:			
Holding Company:			
UltraTech Cement Limited	-	38,806,930	187,562,368
Total	-	**38,806,930**	**187,562,368**
Dividend Paid			
Holding Company:			
UltraTech Cement Limited	**136,363,636**	188,400,000	261,242,769
Total	**136,363,636**	**188,400,000**	**261,242,769**

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Notes to Financial Statements (Contd.)

(b) Outstanding balances:

` in INR

Nature of Transaction/Relationship	As at March 31, 2017	As at March 31, 2016	As at March 31,2015
Trade Payables:			
Holding Company:			
UltraTech Cement Limited	**146,754,267**	114,616,337	32,283,261
Total	**146,754,267**	**114,616,337**	**32,283,261**

(c) Compensation of key management personnel of the Company:

` in INR

Nature of transaction/relationship	Year Ended March 31, 2017	Year Ended March 31, 2016
Short-term employee benefits	**8,690,299**	8,575,276
Post-employment pension and medical benefits	**284,506**	196,066
Total compensation paid to key management personnel	**8,974,805**	8,771,342

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of the individuals and market trends.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31 2016, the company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 1.4 – Income Taxes:

(i) Reconciliation of Tax Expenses with Accounting Profit:

` in INR

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Accounting profit before income tax	**384,014,014**	349,143,246
Applicable tax rate	**28%**	28%
Computed tax expenses	**107,523,924**	97,760,109
Effect of Non-Deductible expenses	**16,282,986**	11,908,791
Effect of Allowances for tax purpose	**(18,597,141)**	(18,773,082)
Effect of Previous year adjustments	**(15,449,891)**	(4,195,488)
Others	**6,072,893**	8,844,538
Income tax expense charged to the statement of profit and loss	**95,832,771**	95,544,868

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Note 1.5 –Earnings per Share (EPS):

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	**288,181,243**	253,598,378
(ii) Weighted average number of Equity Shares outstanding (Nos.)	**50,000,000**	50,000,000
Basic EPS (`) (i)/(ii)	**5.76**	5.07

Notes to Financial Statements (Contd.)

Note 1.6 – Auditors' remuneration (excluding service tax) and expenses:

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(a) Statutory Auditors:		
Audit fees (including quarterly Limited Review)	**336,364**	348,540
Tax audit fees	-	-
Fees for other services	159,091	164,850
Expenses reimbursed	-	-

Note 1.7

The following expenses are included in the different heads of expenses in the Statement of Profit and Loss:

Particulars	Year Ended March 31, 2017			Year Ended March 31, 2016		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	**138,769,243**	**16,417,061**	**155,186,304**	143,165,735	23,462,622	166,628,357

Note 1.8

ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS: IND AS 113

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

` in INR

Particulars	Carrying amount	Fair Value		
	As at March 31, 2017	Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Trade receivables	471,583,662			
Cash and bank balances	18,349,010			
Other financial assets	214,694,160			
Investments	50,559,435			
Total	**755,186,267**			
Financial liabilities at amortised cost				
Trade payables	279,629,204			
Total	**279,629,204**			

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Notes to Financial Statements (Contd.)

Note No. 1.9

Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials & spare parts, exports of cement and the company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

Foreign currency exposure as at March 31, 2017	USD	Euro	JPY
Trade Payables	**2,277,138**	-	-

Foreign currency exposure as at March 31, 2016	USD	Euro	JPY
Trade payables	1,724,991	-	-

Foreign currency exposure as at March 31, 2015	USD	Euro	JPY	Others
Trade payables	517,598	-	-	-

Credit Risk Management:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual fund investments with financial institutions, foreign exchange transactions and financial guarantees.

Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assess high risk, exposure is backed by either bank guarantee / letter of credit or even backed by security deposits also.

The Company follows global provisioning policy to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Liquid Investments and deposits with banks

The credit risk on liquid investments with financial institutes and deposits with banks is limited as these parties are high credit rating and there is no equity exposure.

Liquidity risk:

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

` in INR

As at March 31, 2017	Less than 1 year	1 to 5 years	Total
Trade payables	279,629,204	-	279,629,204

Notes to Financial Statements (Contd.)

` in INR

As at March 31, 2016	Less than 1 year	1 to 5 years	Total
Trade payables	229,343,100	-	229,343,100

` in INR

As at March 31, 2015	Less than 1 year	1 to 5 years	Total
Trade payables	120,321,013	-	120,321,013

Note 1.10

Distribution made and proposed

` INR

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2017: ` per share (March 31 2016: ` per share)	-	-
DDT on final dividend	-	-
Total Dividend paid	-	-
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on March 31, 2017: ` 3.41 per share (March 31, 2016: ` 4.71 per share)	170,454,545	235,500,000
DDT on proposed dividend	-	-
Total Dividend proposed	**170,454,545**	**235,500,000**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

Note 1.11

Capital Management:

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's Capital Management is to maximise shareholder value.

The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Note 1.12

Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

Note 1.13

Figures less than ` 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest lakh.

First-time adoption of Ind AS:

These financial statements, for the year ended March 31 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31 2017, together with the comparative period data as at and for the year ended March 31 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Notes to Financial Statements (Contd.)

1) Past Bussiness Combinations:

The Company has elected not to apply Ind AS 103- Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015. Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Company has not recorded assets and liabilities that were not recognised in accordance with previous GAAP in the standalone balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.
- The Company has not applied Ind AS 21- The Effects of Changes in Foreign Exchange Rates retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the transition date.
- The above exemptions in respect of business combinations have also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

2) Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3) Cumulative Translation Differences:

The Company has opted not to apply Ind AS 21 which requires an entity to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity.
As a consequence, the cumulative translation differences for all foreign operations are deemed to be zero that existed at the date of transition to Ind AS.

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards
Reconciliation of equity as at April 1, 2015 (date of transition to Ind AS)

` in INR

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Assets				
Non Current Assets				
(a) Property Plant and Equipment		196,324,220	-	196,324,220
(b) Capital Work-in-progress		64,255,216	-	64,255,216
(c) Financial Assets				
(i) Investments		70,185,289	-	70,185,289
Total Non Current Assets		**330,764,725**	-	**330,764,725**
Current Assets			-	
(a) Inventories		183,442,129	-	183,442,129
(b) Financial Assets				
(i) Investments		70,742,202	-	70,742,202
(ii) Trade Receivables		291,865,952	-	291,865,952
(iii) Cash and cash equivalents		18,348,661	-	18,348,661
(iv) Bank balances other than (iii) above		82,110,940	-	82,110,940
(c) Other current assets		88,037,034	-	88,265,136
Total Current Assets		**734,546,917**	-	**734,546,917**
Total Assets		**1,065,311,642**	-	**1,065,311,642**

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Notes to Financial Statements (Contd.)

Reconciliation of equity as at April 1, 2015 (date of transition to Ind AS)

` in INR

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Equity and Liabilities				
Equity				
(a) Equity Share Capital		233,950,964	-	233,950,964
(a) Other Equity		577,424,395	-	577,424,395
Equity Attributable to Equity Holders of Parent		**811,375,359**	**-**	**811,375,359**
Liabilities				
Non-current liabilities				
(a) Provisions		13,935,227	-	13,935,227
(b) Deferred tax liabilities (net)		32,584,868	-	32,584,868
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables		120,321,013	-	120,321,013
(b) Other current liabilities		31,637,664	-	31,637,664
(c) Provisions		1,847,652	-	1,847,652
(d) Current Tax Liabilities (net)		53,609,860	-	53,609,860
Total Equity and Liabilities		**1,065,311,642**	**-**	**1,065,311,642**

Reconciliation of equity as at March 31, 2016

` in INR

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Assets				
Non Current Assets				
(a) Property Plant and Equipment		310,977,414	-	310,977,414
(b) Capital Work-in-progress		14,417,911	-	14,417,911
(c) Financial Assets				
(i) Investments		22,755,000	-	22,755,000
Total Non Current Assets		**348,150,325**		**348,150,325**
Current Assets				
(a) Inventories		145,760,048	-	145,760,048
(b) Financial Assets				
(i) Investments		50,680,487		50,680,487
(ii) Trade Receivables		299,473,804	-	299,473,804
(iii) Cash and cash equivalents		37,819,300	-	37,819,300
(iv) Bank balances other than (iii) above		172,046,114	-	172,046,114
(c) Other current assets		95,861,212	-	95,861,212
Total Current Assets		801,640,966	-	801,640,966
Total Assets		**1,149,791,291**	**-**	**1,149,791,291**

KPMG 07 APR 2017 CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

Reconciliation of equity as at March 31, 2016

` in INR

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Equity and Liabilities				
Equity				
(a) Equity Share Capital		227,550,000	-	227,550,000
(b) Other Equity		580,067,018	-	580,067,018
Equity Attributable to Equity Holders of Parent		**807,617,018**	**-**	**807,617,018**
Liabilities				
Non-current liabilities				
(a) Provisions		12,658,733	-	12,658,733
(b) Deferred tax liabilities (net)		40,918,356	-	40,918,356
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables		229,343,100	-	229,343,100
(b) Other current liabilities		29,479,613	-	29,479,613
(c) Provisions		1,768,841	-	1,768,841
(d) Current Tax Liabilities (net)		28,005,630	-	28,005,630
Total Equity and Liabilities		1,149,791,291	-	1,149,791,291

Reconciliation of Total Comprehensive Income for the year ended March 31,2016

` in INR

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations		5,107,363,991	-	5,107,363,991
Other Income		16,906,039	-	16,906,039
Total Income (I)		**5,124,270,030**	**-**	**5,124,270,030**
Expenses				
Cost of Raw Materials Consumed		4,303,778,794	-	4,303,778,794
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		67,610,605	-	67,610,605
Employee Benefits Expense	1	78,713,230	1,370,858	80,084,088
Power and Fuel		23,462,622	-	23,462,622
Freight and Forwarding Expense		51,159,584	-	51,159,584
Other Expenses		215,526,016	-	215,526,016
Total Expenses (II)		**4,740,250,851**	**-**	**4,741,621,710**
Profit before Finance Costs, Depreciation and Tax (PBIDT) (I)-(II)		**384,019,179**	**-**	**382,648,320**
Finance Costs		-	-	-
Depreciation and Amortisation Expense		33,505,075	-	33,505,075
Profit before Tax Expenses		350,514,104	-	349,143,246
Tax Expenses:				
Current Tax		86,381,392	-	85,997,552
Deferred Tax Charge		9,547,316	-	9,547,316
Total		**95,928,708**	**-**	**95,544,868**

KPMG 07 APR 2017 CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

Profit for the Year		**254,585,396**	-	**253,598,378**
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit & Loss	1	-	1,370,858	1,370,858
(ii) Income Tax Relating to Items that will not be reclassified to profit & Loss	1	-	(383,840)	(383,840)
Other Comprehensive Income for the Year	**1**	-	**987,018**	**987,018**
Total Comprehensive Income for the Year		**254,585,396**	-	**254,585,396**

Note to the Reconciliation of Total Comprehensive Income:

1) **Note 1: Defined Benefit Liabilities:**

Both under IGAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, 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.

Thus the employee benefit cost is increased by ` 1,370,858 and Remeasurement gains/ losses on defined benefit plans has been recognized in the Other Comprehensive Income net of tax amounting to ` **987,018**.

Signatures to Note '1' to '1.13'

For and on behalf of the Board

In terms of our reports attached.

Director

Colombo, April 07, 2017

KPMG 07 APR 2017 CHARTERED ACCOUNTANTS

NOTE 2: PROPERTY, PLANT AND EQUIPMENTS

INR

Particulars	Gross Block					Depreciation					Net Block
	As at March 31, 2016	Other Adjustments	Additions	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2016	Other Adjustments	For the year	Deductions/ Adjustments	Up to March 31, 2017	As at March 31, 2017
(A) Tangible Assets											
Leasehold Land	17,724,674	(1,151,581)	-	-	**16,573,092**	10,098,016	(698,975)	672,120	-	**10,071,161**	**6,501,931**
Buildings	58,215,963	(3,782,322)	-	-	**54,433,641**	20,396,573	(1,536,193)	3,305,925	-	**22,166,306**	**32,267,335**
Plant and Machinery	414,819,977	(27,870,640)	29,131,373	(14,724,801)	**401,355,910**	187,210,642	(13,354,624)	31,345,749	(12,679,689)	**192,522,077**	**208,833,834**
Office Equipment	8,225,480	(548,175)	215,600	-	**7,892,905**	4,731,009	(398,542)	1,428,265	-	**5,760,732**	**2,132,174**
Furniture and Fixtures	2,519,670	(167,492)	59,339	-	**2,411,517**	1,172,232	(96,219)	314,240	-	**1,390,253**	**1,021,265**
Lab Equipments	3,644,184	(321,748)	1,331,405	-	**4,653,841**	2,277,568	(177,357)	460,325	-	**2,560,536**	**2,093,306**
Motor Vehicles	17,351,634	(1,780,149)	10,227,273	-	**25,798,757**	3,300,142	(529,894)	4,942,545	-	**7,712,793**	**18,085,965**
Motor Cycles	3,799,064	(194,143)	310,227	(1,135,618)	**2,779,530**	1,063,471	(65,823)	708,504	(759,754)	**946,398**	**1,833,133**
Electric Installation	38,045,893	(2,471,862)	-	-	**35,574,031**	24,694,883	(1,743,275)	2,175,089	-	**25,126,697**	**10,447,334**
HT Power Line	531,108	(34,506)	-	-	**496,601**	409,436	(28,540)	30,381	-	**411,277**	**85,325**
Computers	7,526,032	(525,853)	577,822	-	**7,578,002**	6,072,293	(437,188)	668,479	-	**6,303,584**	**1,274,418**
Sub Total	**572,403,679**	**(38,848,471)**	**41,853,040**	**(15,860,418)**	**559,547,829**	**261,426,265**	**(19,066,630)**	**46,051,621**	**(13,439,443)**	**274,971,812**	**284,576,019**
Add: Capital Work-in-Progress	**14,417,911**	**(17,568)**	**8,043,492**	**(22,443,834)**	-	-	-	-	-	-	-
Total Tangible Assets	**586,821,590**	**(38,866,039)**	**49,896,531**	**(38,304,253)**	**559,547,829**	**261,426,265**	**(19,066,630)**	**46,051,621**	**(13,439,443)**	**274,971,812**	**284,576,019**

Particulars	Gross Block					Depreciation					Net Block
	As at March 31, 2015	Other Adjustments	Additions	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2015	Other Adjustments	For the year	Deductions/ Adjustments	Up to March 31, 2016	As at March 31, 2016
(A) Tangible Assets											
Leasehold Land	18,223,267	(498,594)	-	-	**17,724,674**	9,692,741	(288,621)	693,896	-	**10,098,016**	**7,626,658**
Buildings	59,853,573	(1,637,611)	-	-	**58,215,963**	17,575,604	(596,231)	3,417,201	-	**20,396,573**	**37,819,389**
Plant and Machinery	284,907,451	(12,606,292)	142,518,819	-	**414,819,977**	172,016,433	(5,401,693)	20,595,902	-	**187,210,642**	**227,609,336**
Office Equipment	6,615,600	(243,573)	1,853,453	-	**8,225,480**	3,541,063	(141,843)	1,331,789	-	**4,731,009**	**3,494,471**
Furniture and Fixtures	2,467,656	(71,692)	123,706	-	**2,519,670**	898,068	(35,008)	309,172	-	**1,172,232**	**1,347,439**
Lab Equipments	3,347,563	(105,153)	401,775	-	**3,644,184**	2,110,658	(65,597)	232,508	-	**2,277,568**	**1,366,616**
Motor Vehicles	22,189,711	(459,298)	13,541,250	(17,920,029)	**17,351,634**	13,989,689	(22,670)	3,552,223	(14,219,100)	**3,300,142**	**14,051,492**
Motor Cycles	2,684,127	(114,957)	2,172,158	(942,264)	**3,799,064**	1,326,766	(28,370)	589,839	(824,765)	**1,063,471**	**2,735,593**
Electrical Installation	39,116,121	(1,070,228)	-	-	**38,045,893**	23,181,741	(709,283)	2,222,425	-	**24,694,883**	**13,351,011**
HT Power Line	546,048	(14,940)	-	-	**531,108**	389,680	(11,724)	31,481	-	**409,436**	**121,671**
Computers	6,813,489	(217,826)	930,370	-	**7,526,032**	5,717,942	(174,290)	528,641	-	**6,072,293**	**1,453,739**
Sub Total	**446,764,607**	**(17,040,165)**	**161,541,531**	**(18,862,292)**	**572,403,679**	**250,440,385**	**(7,475,332)**	**33,505,075**	**(15,043,864)**	**261,426,265**	**310,977,414**
Add: Capital Work-in-Progress	**64,255,216**	**(78,277)**	**87,328,015**	**(137,087,043)**	**14,417,911**	-	-	-	-	-	**14,417,911**
Total Tangible Assets	**511,019,823**	**(17,118,442)**	**248,869,546**	**(155,949,335)**	**586,821,590**	**250,440,385**	**(7,475,332)**	**33,505,075**	**(15,043,864)**	**261,426,265**	**325,395,325**

Notes:

		March 31, 2017	March 31, 2016
A)	Depreciation for the year	**46,051,621**	**33,505,075**
	Depreciation as per Profit and Loss Account	**46,051,621**	**33,505,075**

Notes to Financial Statements

NOTE 3

FINANCIAL ASSETS -OTHERS

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Fixed Deposits with Bank with maturity Greater than 12 months	-	22,755,000	70,185,289
	-	22,755,000	70,185,289

NOTE 4

INVENTORIES: {Valued at lower of Cost or net realisable value (except Scrap)}

Finished Goods				
At Factory	61,320,303		33,449,047	101,555,852
In Transit	39,453,055		98,910,715	67,486,936
		100,773,358	132,359,762	169,042,788
Stores & Spares				
At Factory	10,554,299		11,811,112	12,845,976
		10,554,299	11,811,112	12,845,976
Packing Materials				
At Factory	1,147,193		1,589,175	1,553,365
		1,147,193	1,589,175	1,553,365
		112,474,850	145,760,048	183,442,129

NOTE 5

INVESTMENTS-OTHERS

Investment in Government Securities	50,559,435	50,680,487	70,742,202
	50,559,435	50,680,487	70,742,202

NOTE 6

TRADE RECEIVABLES:

Secured, Considered good	170,426,914		124,429,808	120,500,725
Unsecured, Considered good	301,156,748		175,043,996	171,365,227
		471,583,662	299,473,804	291,865,952
Doubtful	1,669,200		1,785,184	1,645,759
	1,669,200		1,785,184	1,645,759
Less: Provision for doubtful debts	1,669,200		1,785,184	1,645,759
		471,583,662	299,473,804	291,865,952

NOTE 7

CASH AND CASH EQUIVALENTS:

Balance with banks	16,536,575		36,018,571	17,347,827
Cash on hand	1,812,436		1,800,729	1,000,834
		18,349,010	37,819,300	18,348,661
		18,349,010	37,819,300	18,348,661

Note 8

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed Deposits with Banks (Maturity more than 03 months and upto 12 months)	214,546,416	171,865,212	81,882,837
	214,546,416	171,865,212	81,882,837

NOTE 9

Other Financial Assets

Advances to Employees	147,745	180,902	228,102
	147,745	180,902	228,102

NOTE 10

OTHER CURRENT ASSETS

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advances to suppliers	21,201,753	25,345,774	18,253,867
Balances with Government and other Authorities	95,772,353	61,053,826	51,844,848
Prepaid Expenses	1,715,471	1,136,785	325,435
Others	10,672,363	8,324,827	17,612,884
	129,361,940	95,861,212	88,037,034

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
NOTE 11			
SHARE CAPITAL			
Authorised			
100,000,000 Equity shares of ` 10 each (Previous year 100,000,000)	1,000,000,000	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up			
50,000,000 Equity shares of ` 10 each fully paid-up. (Previous Year 50,000,000)	212,765,957	227,550,000	233,950,964

NOTE 12
DEFERRED TAX LIABILITIES (Net)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deferred Tax Assets:			
Provision allowed under tax on payment basis	4,632,931	4,539,573	4,419,206
	4,632,931	4,539,573	4,419,206
Deferred Tax Liabilities:			
Accumulated Depreciation			
Payment allowed under tax not expensed in books	48,664,196	45,457,928	37,004,074
	48,664,196	45,457,928	37,004,074
Net Deferred Tax Liability	**44,031,265**	**40,918,356**	**32,584,868**

NOTE 13
PROVISIONS

	Non-Current			Current		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
For Employee Benefits	**13,159,739**	12,658,733	13,935,227	**1,717,242**	1,768,841	1,847,651
	13,159,739	12,658,733	13,935,227	**1,717,242**	1,768,841	1,847,652

NOTE 14
TRADE PAYABLES

Due to Suppliers	**52,427,515**	48,964,628	41,943,174
Due to Related Parties	**146,754,267**	114,616,337	32,283,261
Liabilities For Other Expenses	**36,435,673**	23,150,006	17,103,589
Others	**44,011,749**	42,612,129	28,990,988
	279,629,204	229,343,100	120,321,013

NOTE 15
OTHER CURRENT LIABILITIES

Provident Fund	**1,156,658**	1,129,420	1,179,430
Other Taxes Payable	**65,691**	79,028	67,904
Deposit from Dealers	**13,664,313**	11,206,723	8,876,987
Salaries, Wages & Bonus Payable	**145,337**	28,506	14,727
Own Your Car Scheme	**810,292**	582,915	2,112,506
Advance from customers	**23,897,040**	16,453,022	19,386,110
	39,739,333	29,479,613	31,637,664

		April 16 - March 17	April 15 - March 16
NOTE 16			
Sale of Products & Services (Gross)			
Sale of Products		5,755,742,445	5,081,331,110
		5,755,742,445	5,081,331,110
NOTE 17			
OTHER OPERATING REVENUE			
Scrap Sales		107,096	45,097
Miscellaneous Income / Receipts		49,410,878	25,987,784
		49,517,974	26,032,881
NOTE 18			
OTHER INCOME			
Interest Income on			
Government & Other Securities	2,317,971		4,706,723
Bank and Other Accounts	13,949,581		10,891,978
		16,267,551	15,598,701
Exchange Gain		287,132	-
Profit on Sale of Fixed Assets		-	1,307,338
		16,554,683	16,906,039
NOTE 19			
COST OF RAW MATERIALS CONSUMED:			
Purchase and Incidental Expenses		5,025,238,454	4,303,778,794
		5,025,238,454	4,303,778,794

		INR April 16 - March 17	INR April 15 - March 16
NOTE 20			
CHANGE IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND STOCK-IN-TRADE			
Closing Stock			
Finished Goods	61,320,303		33,449,047
Add / (Less) : Exchange rate fluctuation on account of average rate transferred to currency translation reserve	4,180,930		1,168,622
		65,501,233	34,617,669
Opening stock			
Finished Goods	33,449,047		101,555,852
Add / (Less) : Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(40,758)		672,422
		33,408,289	102,228,274
Add: Decrease / (Increase) in Stocks		(32,092,944)	67,610,605
NOTE 21			
EMPLOYEE BENEFITS EXPENSES			
Salaries, Wages and Bonus		69,641,407	65,827,670
Contribution to Provident and Other Funds		10,515,821	10,428,737
Staff Welfare Expenses		4,845,689	3,827,681
		85,002,917	80,084,088
NOTE 22			
Freight & Forwarding Expenses			
On Finished Products		80,855,782	51,159,584
		80,855,782	51,159,584
NOTE 23			
OTHER EXPENSES			
Consumption of Stores, Spare Parts & Components		23,162,817	22,318,128
Consumption of Packing Materials		115,606,426	120,847,607
Repairs to Plant and Machinery		1,740,121	1,321,980
Repairs to Buildings		749,851	826,105
Insurance		1,093,993	433,563
Rent (including Lease Rent)		2,404,545	2,298,480
Rates and Taxes		1,086,031	1,137,680
Director Fees		54,545	56,520
Sales Promotion expenses		33,541,817	38,096,940
Exchange Loss		-	753,123
Loss on Sale of Fixed Assets		997,224	-
Miscellaneous Expenses		35,890,825	27,435,890
		216,328,196	215,526,016
NOTE 24			
DEPRECIATION, AMORTISATION AND OBSOLESCENCE			
Depreciation & Amortisation		46,051,621	33,505,075
		46,051,621	33,505,075